

**PRIYA LIMITED**

# ANNUAL REPORT 2017-2018



**31<sup>ST</sup> ANNUAL GENERAL MEETING**

Day : Wednesday  
Date : 19<sup>th</sup> September, 2018  
Time : 11.00 A.M.  
Place : "Hall of Quest", Nehru Planetarium, Nehru Centre,  
Dr. Annie Besant Road, Worli, Mumbai – 400 018

**BOARD OF DIRECTORS**

<b>SHRI A. K. BHUWANIA</b>	Chairman
<b>SHRI R. K. SARASWAT</b>	Director
<b>SHRI M. K. ARORA</b>	Director
<b>SHRI ASHISH BHUWANIA</b>	Director
<b>SHRI ADITYA BHUWANIA</b>	Whole Time Director
<b>SHRI ANUJ BHARGAVA</b>	Director
<b>SHRI P. V. HARIHARAN</b>	Director
<b>SMT SAROJ BHUWANIA</b>	Director
<b>SHRI RAKESH JAIN</b>	Chief Financial Officer
<b>SHRI SAISHWAR DALVI</b>	Company Secretary

**BANKERS**

Indian Bank  
Bank of Maharashtra  
Union Bank of India

**AUDITORS**

Kanu Doshi Associates LLP  
Chartered Accountants, Mumbai.

**REGISTERED OFFICE**

4<sup>th</sup> Floor, Kimatrai Building, 77-79,  
Maharshi Karve Marg, Marine Lines (E),  
Mumbai-400002.

**REGISTRAR AND SHARE TRANSFER AGENT**

Bigshare Services Pvt. Ltd.,  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai 400 059  
Tel: 022-62638200

**CIN:** L99999MH1986PLC040713

**EQUITY SHARES ARE LISTED AT:**  
BSE Limited (BSE)

**WEBSITE**  
[www.priyagroup.com](http://www.priyagroup.com)

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## NOTICE

NOTICE is hereby given that the **Thirty First Annual General Meeting** of the members of **PRIYA LIMITED** (CIN:L99999MH1986PLC 040713) will be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018 on Wednesday, the 19<sup>th</sup> Day of September, 2018 at 11.00 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as **Ordinary Resolution**:

**"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2018 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To declare a dividend on Equity Shares for the financial year ended March 31, 2018 and in this regard, pass the following resolution as **Ordinary Resolution**:

**"RESOLVED THAT** a dividend at the rate of 10% (Re.1/- per equity share) on 30,02,300 equity shares of the face value of Rs.10/- each of the Company be and is hereby declared for the financial year ended March 31, 2018."

3. To appoint Mrs. Saroj Bhuwania (DIN: 00018978), who retires by rotation as a Director and in this regard, pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Saroj Bhuwania (DIN: 00018978), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

### SPECIAL BUSINESS:

4. To re-appoint Mr. Aditya Bhuwania (DIN: 00018911) as a Whole Time Director designated as Executive Director. In this regard to consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** that pursuant to Sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013, read with Schedule V to the said Act, and subject to other approvals as are necessary, Mr. Aditya Bhuwania (DIN : 00018911) be and is hereby re-appointed as an Executive Director (Whole Time Director) of the Company for a period of (03) three years with effect from 1<sup>st</sup> June, 2018 to 31<sup>st</sup> May, 2021 on a minimum monthly remuneration Rs.2,50,000/- which board or committee of board can modify in such a manner but which shall not exceed Rs.4,50,000/- per month along with such other perquisites and retirement benefit as per Company policy and expressly allowed under the Companies Act, 2013 and rules made thereunder.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

For and on behalf of the Board

For **Priya Limited**

Place: Mumbai

Date: 28<sup>th</sup> May, 2018

**Saishwar Dalvi**

Company Secretary

### Registered Office:

4<sup>th</sup> Floor, Kimatrai Building, 77-79,  
Maharshi Karve Marg, Marine Lines (E),  
Mumbai-400002

### NOTES:

1. The statement pursuant to section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. **Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be member of the company.**
3. The proxy form, in order to be effective, must be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.

4. The register of members and the share transfer books of the Company will remain closed from **13<sup>th</sup> September, 2018 to 19<sup>th</sup> September, 2018** (both days inclusive).
5. Dividend recommended for the year ended 31<sup>st</sup> March, 2018 if approved by the members will be paid to those eligible members whose names appear:
  - I. As Beneficial Owners, as on 12<sup>th</sup> September, 2018, as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd., in respect of shares held in electronic form; and
  - II. As Members in the Register of Members of the Company as on 12<sup>th</sup> September, 2018.
6. Members, who have not given the Bank Account Details earlier, are requested to send the same immediately to enable the Company to pay dividend accordingly.
7. Members are requested to bring their copy of the Annual Report to the Meeting.
8. Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
9. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend.
10. Details of Directors retiring by rotation / seeking re-appointment at the ensuing Meeting are provided in the "Annexure" to the Notice.
11. Unclaimed dividend for the year(s) 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 are held in separate Bank accounts and shareholders who have not received the dividend / encashed the warrants are advised to write to the Company with complete details.
12. Members holding shares in physical mode:
  - (a) are required to submit their Permanent Account Number (PAN) and bank account details to the Company / RTA, if not registered with the Company as mandated by SEBI.
  - (b) are requested to register / update their e-mail address with the Company / RTA for receiving all communications from the Company electronically.
13. Members may avail dematerialisation facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised. The ISIN No. of the Company is **INE686C01014**.
14. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office atleast 7 days before the date of the meeting, so that the required information can be made available at the meeting.
15. Members, who have not registered their e-mail addresses, are requested to register their e-mail address in respect of electronic holdings with the depository through their concerned Depository Participants and members who hold shares in physical form are requested to send their details to Bigshare Services Pvt. Ltd (Registrar & Transfer agent) in order to enable the company to serve the notice/Documents including Annual Report through e-mail as an initiative in consonance with circular issued by Ministry of Corporate Affairs allowing paperless compliances by the companies.
16. Attendance Slip, proxy form and the Route map to the Venue of meeting are annexed hereto.
- 17. Voting through electronic means**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General

Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. Mr. Sanjay Parab, Practicing Company Secretary (FCS No.6613 & COP No.7093) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- III. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- IV. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- V. The remote e-voting period commences on 16<sup>th</sup> September, 2018 (9:00 am) and ends on 18<sup>th</sup> September, 2018 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 12<sup>th</sup> September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- VII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date, may

obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.

- VIII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- IX. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.priyagroup.com](http://www.priyagroup.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

**The process and manner for remote e-voting are as under:**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
  - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open

the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
- If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
    - Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - "Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
    - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  - Now, you will have to click on "Login" button.
  - After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

#### **How to cast your vote electronically on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of company for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify



- the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
  7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sanjay.parabcs@gmail.com](mailto:sanjay.parabcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

For and on behalf of the Board  
For **Priya Limited**

Place: Mumbai  
Date: 28<sup>th</sup> May, 2018

**Saishwar Dalvi**  
Company Secretary

#### **Details of Directors retiring by rotation/seeking re-appointment at the Meeting:**

Particulars	Mr. Aditya Bhuwania (DIN:00018911)	Mrs. Saroj Bhuwania (DIN: 00018978)
Date of Birth	13.02.1973	30.06.1958
Date of Appointment	13.08.2005	02.03.2015
Qualification	B.Sc.(Business Computer System) from Bradley University, Pearie, Illinois (U S A)	B.Com.
Expertise	Hardware Industry	Wide business experience
List of other public limited companies (in India) in which outside directorship held	Priya International Ltd.	Priya International Ltd.
Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	None	None
Relationship with other Director	Son of A. K. Bhuwania & Saroj Bhuwania and Brother of Ashish Bhuwania	Mother of Ashish Bhuwania and Aditya Bhuwania and Wife of A. K. Bhuwania

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**
**Item No. 4:**

Mr. Aditya Bhuwania, aged 45 years is by qualification B.Sc. (Business Computer system) from Bradley University, Pearle, Lllinois (U.S.A) and has over 20 years' experience in the field of computer hardware. He is also Director of Priya International Ltd., Brent Properties Investment Pvt. Ltd., Cheshire Properties Investments Pvt. Ltd. and Halifax Properties Investments Pvt. Ltd.

The tenure of Mr. Aditya Bhuwania expires on 31<sup>st</sup> May, 2018. Taking into consideration of the valuable services rendered by him during the past 15 years for the growth of the company and based on the recommendations of the Nomination and Remuneration Committee and subject to the approval of the members of the Company in General Meeting, the Board of Directors at their meeting held on 28<sup>th</sup> May, 2018 had re-appointed Mr. Aditya Bhuwania as Executive Director (Whole Time Director) of the Company for a period of (03) Three years from 1<sup>st</sup> June, 2018 to 31<sup>st</sup> May, 2021.

**Remuneration:**

- a) Salary : Rs. 2,50,000/- per month.
- b) Perquisites and Allowances: In additions to the Salary payable, the Whole Time Director shall also be entitled to perquisites and allowances in accordance with the rules of company or as may be agreed to by the Board of Directors of the Company.

Total Remuneration payable Rs.30 Lakh per annum.

Minimum remuneration as prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

In compliance of provisions contained in schedule V of the Companies Act, 2013, the resolution approving the re-appointment and payment of remuneration is placed before the ensuing annual general meeting of the shareholders for their approval.

**Information required under Section II, Part II of Schedule V of the Companies Act, 2013 :-**

<b>I. GENERAL INFORMATION</b>	
1) Nature of Industry	Priya Limited distributes an array of IT products such as Thin Client, Keyboard, Mouse, software products and offering solutions for different industries and also a major exporter for dyes and pharmaceuticals.
2) Date or expected date of commencement of commercial production	Certificate of commencement of business was dated 1 <sup>st</sup> October, 1986
3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable
4) Financial performance based on given indicators	The details of financial performance of the Company for the year 2017-18 are provided in the Annual Report.
5) Foreign investments or collaborators, if any	NIL
<b>II. INFORMATION ABOUT THE APPOINTEE</b>	
1) Background details	Mr. Aditya Bhuwania, aged 45 years is by qualification B.Sc. (Business Computer system) from Bradley University, Pearle, Lllinois (U.S.A) and has over 20 years' experience in the field of computer hardware.



2) Past remuneration	<table> <tr> <th>Year</th><th>Remuneration paid</th></tr> <tr> <td>2015-16</td><td>Rs.25 Lakh</td></tr> <tr> <td>2016-17</td><td>Rs.30 Lakh</td></tr> <tr> <td>2017-18</td><td>Rs.30 Lakh</td></tr> </table>	Year	Remuneration paid	2015-16	Rs.25 Lakh	2016-17	Rs.30 Lakh	2017-18	Rs.30 Lakh
Year	Remuneration paid								
2015-16	Rs.25 Lakh								
2016-17	Rs.30 Lakh								
2017-18	Rs.30 Lakh								
3) Recognition or awards	None								
4) Job profile and his suitability	As Executive Director of the Company, Mr. Aditya Bhuwania is responsible for the overall performance of the Company. He has been instrumental in giving direction to the entire team of Company and has been responsible for monitoring their performance on regular basis.								
5) Remuneration proposed	a) Salary : Rs. 2,50,000/- per month. b) Perquisites and Allowances: In additions to the Salary payable, the Whole Time Director shall also be entitled to perquisites and allowances in accordance with the rules of company or as may be agreed to by the Board of Directors of the Company.								
6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Taking into consideration the size of the Company, the profile of the appointee the responsibilities shouldered by him, the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar top/senior level appointee in other companies.								
7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Aditya Bhuwania is holding 2,60,300 equity shares in the Company. In addition to above, his relatives are also holding shares in the company. None of the Key managerial personnel or any other senior managerial personnel is related to Mr. Aditya Bhuwania.								
<b>III. OTHER INFORMATION:</b>									
1) Reasons for loss or inadequate Profits	With the entry of big sized Companies in this segment the margins are squeezed in past years which led to stiff competition in the business segment.								
2) Steps taken or proposed to be taken for improvement	Company is continuously upgrading its business to get an edge on big size companies. Efforts are ongoing to improve performance of the company.								
3) Expected increase in productivity and profits in measurable terms	Unable to quantify, at this point of time.								

Mr. A. K. Bhuwania, Mr. Aditya Bhuwania, Mr. Ashish Bhuwania and Mrs. Saroj Bhuwania, Directors of the Company are deemed to be concerned or interested in the resolution.

## DIRECTORS' REPORT

Dear Members,

### Priya Limited

Your Directors take great pleasure in presenting the **31<sup>st</sup> Annual Report** and Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March, 2018.

### FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Year 2017-18 in comparison to the previous financial year 2016-17 are summarised as below:

(Rs. in Lakhs)

	Year Ended 31/03/2018	Year Ended 31/03/2017
Revenue from operation	9161.26	7545.90
Other Income	56.96	60.90
	<b>9218.22</b>	<b>7606.80</b>
Profit/ (Loss) before Tax	<b>83.11</b>	<b>(180.22)</b>
Less: 1) Current Tax		
- For current year	30.43	0.00
- For earlier years	0.00	1.55
2) Deferred tax	3.84	9.81
Profit/(Loss) After Tax	<b>48.84</b>	<b>(191.58)</b>
Other Comprehensive Income	17.19	19.10
Total Comprehensive Income	<b>66.03</b>	<b>(172.48)</b>

Your Company's financial statements for the year ended March 31, 2018 are the financial statements prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

### DIVIDEND

Your Directors have recommended a dividend of Re.1.00/- per equity share (i.e.@ 10%) on 30,02,300 fully paid equity shares of Rs.10/- each for the financial year ended 31<sup>st</sup> March, 2018.

### TRANSFER TO RESERVES

The Company has transferred Rs.Nil to Reserves for the financial year ended 31<sup>st</sup> March, 2018.

### SHARE CAPITAL

The paid up equity capital as on 31<sup>st</sup> March, 2018 was Rs.3,00,23,000. During the year under review, the Company has not issued any form/types of securities.

## OPERATIONS

During the year under review the aggregate turnover of your Company was Rs.9161.26 Lakhs as compared to Rs.7545.90 Lakhs in the previous year. The Company has earned a Net Profit of Rs.48.84 Lakhs in 2017-18 as compared to previous year's Net Loss of Rs.191.58 Lakhs.

Your Company has achieved better results in comparison to performance of last year, despite the sluggish global economy.

Your Company is concentrating in the marketing of VXL Thin Clients and other computer peripherals (Keyboard/Mouse, Monitors etc.) and is targeting a greater market share in these key areas. Your Company has also started marketing of various software products and offering solutions for different industries.

All the branches are adequately equipped to provide complete support to the customers. Internal control systems have been well established and cost consciousness in branch operations has also led to improved profitability.

Your Directors are hopeful of improving upon the last financial year's results for the Company during the current year.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors at their meeting held on 28<sup>th</sup> May, 2018 re-appointed Mr. Aditya Bhuwania as Executive Director (Whole Time Director) for a period of (03) three years, with effect from 1<sup>st</sup> June, 2018 subject to approval of members in the ensuing annual general meeting. Keeping in view his experience and expertise and the increased activities of the Company, a resolution is proposed in the notice convening Annual General Meeting for the re-appointment of Mr. Aditya Bhuwania, as Executive Director (Whole Time Director), on terms & conditions detailed in the resolution.

Mrs. Saroj Bhuwania, Director, retires by rotation and being eligible has offered herself for re-appointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the key managerial personnel of the Company are- Mr. Aditya

Bhuwania, Whole Time Director, Mr. Rakesh Jain, Chief Financial Officer and Mr. Saishwar Dalvi, Company Secretary. There has been no change in the key managerial personnel during the year.

#### AUDITORS:

##### 1) Statutory Auditors:

At the AGM held in the year 2017, M/s. Kanu Doshi Associates LLP, Chartered Accountants, were appointed as Statutory Auditor of the Company for a period of 5 years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting. In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

##### 2) Secretarial Auditors:

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Sonal Kothari & Associates, Company Secretaries to undertake the secretarial audit of the company. The Secretarial Audit Report is annexed herewith as **Annexure A**.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### CHANGE IN NATURE OF BUSINESS

There being no change in the nature of business of the company during the year.

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is presented in separate section forming part of the Annual Report.

#### CORPORATE GOVERNANCE

The Report on Corporate Governance, along with the Certificate from the Auditors' regarding the compliance of Corporate Governance conditions form parts of this Annual Report.

#### CORPORATE SOCIAL RESPONSIBILITY

In pursuant to the provisions of section 135 of the Companies Act, 2013, Corporate Social Responsibility is not applicable to your company.

#### DEMATERIALIZATION

Your Company has tied up with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) to enable the shareholders to trade and hold shares in an electronic/dematerialized form. The shareholders are advised to take benefits of dematerialization.

#### BOARD EVALUATION

Pursuant to the provisions of companies Act, 2013, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder relationship committee.

#### NOMINATION & REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

#### MATERIAL CHANGES & COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company and the date of the report.

#### SUBSIDIARY COMPANIES

The Company does not have any subsidiary Company.

#### LISTING OF SHARES

The Company's equity shares continue to be listed on BSE Limited (BSE). The Company had applied for de-listing of equity shares from The Calcutta Stock Exchange Ltd. (CSE) and the said de-listing permission is in process and the Company is constantly following up with the

Exchange for completion of the process. The listing fee for the financial year 2018-19 was duly paid to BSE Limited.

#### MEETINGS

During the year (6) Six Board Meetings and (1) one independent directors' meeting was held. The Details of which are given in Corporate Governance Report.

#### AUDIT COMMITTEE

The company is having an audit committee comprising of the following directors:

Name	Designation	Category
Mr. R. K. Saraswat	Chairman	Independent / Non-Executive Director
Mr. M. K. Arora	Member	Independent / Non-Executive Director
Mr. A. K. Bhuwania	Member	Non Executive Chairman

#### NOMINATION AND REMUNERATION COMMITTEE

The company is having a Nomination and Remuneration Committee comprising of the following directors:

Name	Designation	Category
Mr. M. K. Arora	Chairman	Independent / Non-Executive Director
Mr. R. K. Saraswat	Member	Independent / Non-Executive Director
Mr. A. K. Bhuwania	Member	Non Executive Chairman
Mr. Anuj Bhargava	Member	Independent / Non-Executive Director

#### EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure-B**.

#### PUBLIC DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

#### COMPLIANCE WITH SECRETARIAL STANDARDS

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, as applicable to the Company, have been duly complied with.

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

#### UNPAID /UNCLAIMED DIVIDEND

Pursuant to Section 124 of the Companies Act, 2013, unclaimed dividend for the financial year 2009-10 have been transferred by the Company to the Investor Education and Protection Fund established by Central Government. Details of unpaid and unclaimed amounts lying with the Company have been uploaded on the Company's website.

#### DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

#### RELATED PARTY TRANSACTIONS

All material related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Your Directors draw attention of the members to Note No.38 to the financial statement which sets out related party disclosures.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

Pursuant to section 177(9) & (10) of the Companies Act, 2013 rules made thereunder and Regulations 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism for Directors and employees to report genuine concern. The Vigil Mechanism Policy has been uploaded on the website of the Company.

#### **DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY:**

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is already adopted.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

#### **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that: -

- a) in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;

- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant and material orders passed by the Regulators or Courts that would impact the going concern status of the Company and its future operations.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

##### **CONSERVATION OF ENERGY:**

- i) *the steps taken or impact on conservation of energy*

The Company continues to accord high priority to conservation of energy by opting for more power effective replacements of equipments and electrical installations.

- ii) *the steps taken by the company for utilising alternate sources of energy: None*
- iii) *the capital investment on energy conservation equipments: None*

##### **TECHNOLOGY ABSORPTION:**

- i) *the efforts made towards technology absorption*

Every effort is made by the company to update the technological skills of its technical staff in order to ensure that they possess adequate skills to enable them to serve the Company's clients.

- ii) *the benefits derived like product improvement, cost reduction, product development or import substitution*

*The Company has successfully achieved results in reducing the cost, power consumption and improving the technical efficiencies and productivity.*

- iii) *Particulars of imported technology (imported during the last 3 years reckoned from the beginning of the financial year): None*
- iv) *the expenditure incurred on Research and Development: None*

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The relevant information in respect of the foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the financial year ended 31<sup>st</sup> March, 2018.

#### **PARTICULARS OF EMPLOYEES:**

Information required under Section 197(12) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below: -

- (i) Ratio of remuneration of each Director to the median employee's remuneration for the financial year:

Name	Designation	Ratio
Aditya Bhuwania	Whole Time Director	6.30

For this purpose, sitting fees paid to Non Executive Directors have not been considered as remuneration.

- (ii) Percentage increase in remuneration of each Director, CFO and CS:

Name	Designation	% increase
Aditya Bhuwania	Whole Time Director	0
Rakesh Jain	Chief Financial Officer	0
Saishwar Dalvi	Company Secretary	8

- (iii) The percentage increase in the median remuneration of employees: 7%

- (iv) The number of permanent employees: 52
- (v) Average percentile increase made in the salaries of employees other than key managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
- Average increase made in the salaries of employees other than key managerial personal during the year is 9% versus no increase in managerial remuneration.
- There are no other exceptional circumstances for increase in the remuneration of key managerial personal and increase in remuneration has been in accordance with the Company's policies.
- (vi) The Company affirms that the remuneration is as per the remuneration policy of the Company.

#### **APPRECIATION & ACKNOWLEDGEMENTS**

Your Directors take place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Directors also take this opportunity to thank all Investors, Customers, Bankers, Regulatory bodies, Stakeholders including financial Institutions and other business associates who have extended their valuable sustained support and encouragement during the year under review.

For and on behalf of the Board  
**For Priya Limited**

**Aditya Bhuwania**  
Whole Time Director  
DIN:00018911

**R. K. Saraswat**  
Director  
DIN:00015095

Place: Mumbai  
Date: 28<sup>th</sup> May, 2018



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **1. INDUSTRY STRUCTURE AND DEVELOPMENTS**

#### **Electronics Division:**

The Company is concentrating in the marketing of VXL Thin Clients and other computer peripherals (Keyboard/Mouse) and is targeting a greater market share in these key areas. The Company continues to provide exports of Thin Clients in Europe and USA, and distribution across India along with complete customer service and support services. The Company continues to have tie up with global leaders in the field of thin clients, who develop and market high quality, secure and easy to use thin clients products and services globally. The Company has also started marketing of various software products and offering solutions for different industry verticals. The growth and progress of the company depends directly on the prospects of thin client market, and the Software and wider IT Industries.

#### **Chemical Division:**

The size of the world dyestuff industry is estimated at US\$ 5.6 bn and is growing at about 3.5% pa. China is the largest manufacturer of dyes followed by India. The Indian dyestuff industry is made up of about 1,000 small scale units and 50 large organized units, together producing around 2,00,000 tonnes of dyestuff. Maharashtra and Gujarat account for 90% of dyestuff production in India. At present, India contributes about 6% of the share in the global market in this sector. The main user industries, namely, Paint, Inks, Textile, Paper and Leather, will continue to grow because of increase in discretionary spending. The main drivers for consolidation are the stringent pollution control norms and environmental laws increasing the cost of operations for small scale players. Production processes are being modified to ensure that they are environmental friendly.

### **2. OPPORTUNITIES AND THREATS**

#### **Electronics Division:**

We experience intense competition in traditional services and see a rapidly changing marketplace with new competitors arising in new technologies who are focused on agility, flexibility and innovation. We typically compete with other technology service providers in response to request for proposals. Clients often cite our industry expertise, comprehensive end to end solutions, ability to scale, superior quality and process execution, global delivery model, experienced management team, talented professionals and track record as reasons for awarding us contracts.

#### **Chemical Division:**

Sluggish demand and uncertainty was one of the main issues in 2017. Countries like Europe and South East Asia witnessed low to very low demand. Your company believes in dealing only with quality products and reliable suppliers. This has helped us in gaining customer confidence and repeat orders from them. The raw material availability poses a big challenge for us. Fluctuations in foreign exchange and availability of raw materials may impact sales realizations. Treatment costs are expected to remain high given that the manufacture of dyes and pigments generates significant pollutants. Your company will participate in this growth by i) broadening its market reach in new geographies, ii) increasing its working capital efficiencies and iii) introducing new dyes, pigments and products for non-textile applications.

### **3. SEGMENT-WISE PERFORMANCE**

#### **Electronics Division:**

The performance of the company was relatively well during the year, in comparison to last year's turnover. The segment result, before adjustment for unallocated expenses (net) and provisions for taxation, marginally increased to Rs.567.83 Lakhs as compared to Rs.329.71 Lakhs in the previous year.

**Chemical Division:**

Chemical and dyestuff companies are facing stricter environmental regulations, which were not present earlier. The cost-benefit factor, which gave the companies in China an edge to supply to global countries on account of no investments in effluent treatment have now greatly slowed down. With several lives being in danger due to improper disposal of chemical waste, effluent treatment became a prerequisite mechanism to carry on business to receive export incentive, substantially increasing operating cost for the companies in China. The investments required to set up new effluent treatment plants also seem difficult as that would mean lowering their existing capacity utilization levels and longer gestation period to recover investments and costs. This has resulted in reduction of exports of dyestuff from China, with competitive pricing being offered by Indian companies.

The segment result, before adjustment for unallocated expenses (net) and provisions for taxation, increased to Rs.29.21 Lakh as compared to Rs.23.62 Lakh in the previous year.

**4. OUTLOOK**
**Electronics Division:**

Worldwide IT spending is projected to total \$3.7 trillion in 2018, an increase of 6.2 percent from 2017, according to the latest forecast by Gartner, Inc. Although global IT spending is forecast to grow 6.2 percent this year, the declining U.S. dollar has caused currency tailwinds, which are the main reason for this strong growth, said John-David Lovelock, research vice president at Gartner. This is the highest annual growth rate that Gartner has forecast since 2007 and would be a sign of a new cycle of IT growth. However, spending on IT around the world is growing at expected levels and is in line with expected global economic growth. Through 2018 and 2019, the U.S. dollar is expected to trend stronger while enduring tremendous volatility due to the uncertain

political environment, the North American Free Trade Agreement renegotiation and the potential for trade wars.

"We estimate a 7-9% growth in IT and IT-enabled services for FY19. The domestic revenue may grow at a slightly higher pitch of 10-12% while exports, the mainstay, may lag in FY19," Nasscom president R Chandrashekhar said while addressing a press conference at the World Congress on Information Technology (WCIT). According to Nasscom, exports are projected to touch \$137 billion in FY19, up from \$126 billion in FY18.

**Chemical Division:**

Stringent pollution control norms have hampered the production of Dye Intermediates as well as dyestuffs is impacted. The good relations your company has developed with the suppliers since the past several decades has helped us in procuring goods from our suppliers. Our main focus continues to be on NEW products/customers to stay competitive.

**5. RISKS AND CONCERNS**
**Electronics Division:**

Intense competition in the market for IT services could affect our win rates and pricing, which could reduce our share of business from clients and decrease our revenues. A large part of our revenues are dependent on our top clients and the loss of any one of our major clients could significantly impact our business. Economic slowdown or other factors may affect the economic health of US, UK, European Union or those industries where our revenues are concentrated.

**Chemical Division:**

There is an unprecedented shortage and price hike in various raw materials owing to the strict implementation of stringent environmental norms. Dye Intermediates are available from Chinese factories in very small quantities under stricter controls and inspections by Chinese Environmental Bureau especially in Northern parts of

Jiangsu, Shandong area where various factories are located. Many Indian SME factories have either closed down or are working at 50 % capacity owing to stricter pollution control norms by their State Pollution Control board. The currency volatility has also contributed to the imbalance in price. Suppliers are unable to produce dyes within a given time framework. Owing to the high prices and availability issues many overseas buyers have been making purchases as per immediate needs only as against buying for stocks/inventory.

#### **6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your company has adequate internal control system including suitable procedures which commensurate with its size and the nature of the business. The Company's appropriate internal control systems for business processes, with regard to efficiency of operations, financial reporting, compliance with applicable laws and regulations ensure that all assets are protected against losses and unauthorized use. Regular internal audits and checks ensure that responsibilities are executed efficiently. No significant internal control lapses were identified.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them from time to time.

#### **7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The Company has achieved a sales turnover of Rs.9161.26 Lakhs in the year 2017-18 as compared Rs.7545.90 Lakhs in 2016-17. The Company has earned a Net Profit of Rs.48.84 Lakhs in 2017-18 as compared to previous year's Net Loss of Rs.191.58 Lakhs.

#### **8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

##### **HUMAN RESOURCES**

All the employee of your Company are covered under Group Insurance scheme, the premium of which is borne by the company. The Company has incentive schemes for its marketing staff, which acts as a morale booster and driving force for the employees to perform better. The Company has initiated various HR strategies to attract, motivate, develop and retain staff in order to make it a productive workplace. Employee training and development, Employee Selection and Recruitment, Employee Engagement and rewards, Performance Appraisal and communication are the critical issues HR targets to accomplish.

##### **CAUTIONARY STATEMENT**

The projections made in this report may constitute forward-looking statements within the meaning of applicable laws and regulations. However, actual results may differ from those expressed in this report due to the influence of external and internal factors that are beyond the control of the Company such as demand, supply, climatic conditions, economic conditions, political scenario, government regulations and policies, taxation and other conditions.

**ANNEXURE-A****Secretarial Audit Report**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018**

To,

**The Members,**

**Priya Limited**

4th Floor, Kimatrai Building,  
77-79, Maharshi Karve Marg,  
Marine Lines (E),  
Mumbai-400002.

Dear Sir,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Priya Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure A**, for the financial year ended on March 31, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable to the Company, during the Audit Period the Company has not availed any Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(not applicable to the Company during the Audit period as the Company has not issued any debt securities);

- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, and;
- (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;(Not applicable to the Company during Audit period as the Company has not brought back / proposed to Buy back any Securities)

We have also examined compliance with the applicable clause of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited and Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws, Rules and Regulations as applicable to the Company is given in **Annexure B**.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Sonal Kothari & Associates**

**Sonal Shah**

Proprietor

ACS: 24216 CP No.: 8769

*Place: Mumbai*

*Date: 28/05/2018*

**Annexure - A****List of documents verified:**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended March 31, 2017.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Share Transfer Committee, Stakeholders' Relationship Committee along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Statutory Registers.
6. Notice & Agenda submitted to all the Directors / Members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of Companies Act, 2013.
8. E-Forms filed by the Company, from time-to-time, under the provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
9. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement & Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report.

**For Sonal Kothari & Associates****Sonal Shah**

Proprietor

ACS: 24216 CP No.: 8769

*Place: Mumbai**Date: 28/05/2018***Annexure - B****List of applicable laws to the Company under the Major Group and Head**

1. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
2. Acts prescribed under Environmental protection;
3. Acts as prescribed under Direct Tax and Indirect Tax
4. Labour Welfare Act of respective States;
5. Legal Metrology Act, 2009
6. The Information Technology Act, 2000

**For Sonal Kothari & Associates****Sonal Shah**

Proprietor

ACS: 24216 CP No.: 8769

*Place: Mumbai**Date: 28/05/2018*



**ANNEXURE -B**
**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**
**As on financial year ended on 31.03.2018**
**[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014]**
**I. REGISTRATION & OTHER DETAILS**

<b>CIN</b>	L99999MH1986PLC040713
<b>Registration Date</b>	22/08/1986
<b>Name of the Company</b>	PRIYA LIMITED
<b>Category/Sub-category of the Company</b>	Company Limited by shares
<b>Address of the Registered office &amp; contact details</b>	4 <sup>th</sup> Floor, Kimatrai Building, 77-79, Maharshi Karve Marg, Marine Lines (E) Mumbai 400002. Tel. 91-22-4220 3100, Fax- 91-22-4220 3197
<b>Whether listed company</b>	Yes
<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	Bigshare Services Pvt. Ltd., 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059. Tel. 91-22-6263 8200, Fax- 91-22-6263 8299

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated.

<b>Sr. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/service</b>	<b>% to total turnover of the company</b>
1	Electronics	996118	96%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

<b>SN</b>	<b>Name and Address of the Company</b>	<b>CIN/ GLN</b>	<b>Holding / Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
1	Not Applicable				

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**(i) Category-wise Share Holding**

<b>Category of Shareholders</b>	<b>No. of Shares held at the beginning of the year</b>				<b>No. of Shares held at the end of the year</b>				<b>% Change during the year</b>
	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	5,27,900	0	5,27,900	17.58	5,27,900	0	5,27,900	17.58	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	2,75,800	0	2,75,800	9.19	2,75,800	0	2,75,800	9.19	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):-</b>	<b>8,03,700</b>	<b>0</b>	<b>8,03,700</b>	<b>26.77</b>	<b>8,03,700</b>	<b>0</b>	<b>8,03,700</b>	<b>26.77</b>	<b>0.00</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Foreign</b>									
a) NRIs-Individuals	14,31,460	0	14,31,460	47.68	14,31,460	0	14,31,460	47.68	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>14,31,460</b>	<b>0</b>	<b>14,31,460</b>	<b>47.68</b>	<b>14,31,460</b>	<b>0</b>	<b>14,31,460</b>	<b>47.68</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A)= (A) (1)+(A)(2)</b>	<b>22,35,160</b>	<b>0</b>	<b>22,35,160</b>	<b>74.45</b>	<b>22,35,160</b>	<b>0</b>	<b>22,35,160</b>	<b>74.45</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	100	100	0.01	0	100	100	0.01	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>100</b>	<b>100</b>	<b>0.01</b>	<b>0</b>	<b>100</b>	<b>100</b>	<b>0.01</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	49,731	8,500	58,231	1.94	44,109	8,500	52,609	1.74	(0.20)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3,30,042	1,54,538	4,84,580	16.14	3,68,867	1,48,738	5,17,605	17.24	1.1
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	98,941	0	98,941	3.30	70,781	0	70,781	2.36	(0.94)
c) Others (specify)									
Non Resident Indians	188	0	188	0.01	95	0	95	0.01	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Clearing Member	100	0	100	0.01	950	0	950	0.03	0.02
Overseas Corporate Bodies	1,25,000	0	1,25,000	4.16	1,25,000	0	1,25,000	4.16	0.00
<b>Sub-total (B)(2):-</b>	<b>6,04,002</b>	<b>1,63,038</b>	<b>7,67,040</b>	<b>25.54</b>	<b>6,09,802</b>	<b>1,57,238</b>	<b>7,67,040</b>	<b>25.54</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>6,04,002</b>	<b>1,63,138</b>	<b>7,67,140</b>	<b>25.55</b>	<b>6,09,802</b>	<b>1,57,338</b>	<b>7,67,140</b>	<b>25.55</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>28,36,962</b>	<b>1,63,138</b>	<b>30,02,300</b>	<b>100.00</b>	<b>28,44,962</b>	<b>1,57,338</b>	<b>30,02,300</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Arun Kumar Bhuwania	5,71,210	19.03	6.67	5,71,210	19.03	6.67	0.00
2	Arunkumar Bhuwania(HUF)	1,00,000	3.33	0.00	1,00,000	3.33	0.00	0.00
3	Saroj Bhuwania	5,41,750	18.04	0.00	5,41,750	18.04	0.00	0.00
4	Ashish Bhuwania	2,80,200	9.33	0.00	2,80,200	9.33	0.00	0.00
5	Aditya Bhuwania	2,60,300	8.67	0.00	2,60,300	8.67	0.00	0.00
6	Mini Bhuwania	38,300	1.28	0.00	38,300	1.28	0.00	0.00
7	Shruti Bhuwania	1,67,600	5.58	0.00	1,67,600	5.58	0.00	0.00
8	Priya International Limited	2,75,800	9.19	0.00	2,75,800	9.19	0.00	0.00
	<b>TOTAL</b>	<b>22,35,160</b>	<b>74.45</b>	<b>0.00</b>	<b>22,35,160</b>	<b>74.45</b>	<b>0.00</b>	<b>0.00</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	No changes in Promoters shareholding during the year			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No changes in Promoters shareholding during the year			
	At the end of the year	No changes in Promoters shareholding during the year			

**(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Daymount Limited	1,25,000	4.16	1,25,000	4.16
2	Subramanian P	41,000	1.36	41,000	1.36
3	Sanjaykumar Sarawagi	29,781	0.99	29,781	0.99
4	Ankur Poddar	28,160	0.94	11,199	0.37
5	Maliram Makharia Finstock Pvt. Ltd.	25,000	0.83	25,000	0.83
6	Preetham M	0	0.00	18,000	0.59
7	Pritty Devi Sarawagi	16,833	0.56	4,097	0.13
8	Harilal N Dalal	11,200	0.37	11,200	0.37
9	Bijal Suresh Dalal	9,000	0.29	9,000	0.29
10	Mohanlal O	8,000	0.26	8,000	0.26

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>A. DIRECTORS</b>				
1	Arunkumar Bhuwania - Chairman	5,71,210	19.03	5,71,210	19.03
2	Ashish Bhuwania	2,80,200	9.33	2,80,200	9.33
3	Aditya Bhuwania- Whole Time Director	2,60,300	8.67	2,60,300	8.67
4	Saroj Bhuwania	5,41,750	18.04	5,41,750	18.04
5	R. K. Saraswat	0	0.00	0	0.00
6	M. K. Arora	0	0.00	0	0.00
7	Anuj Bhargava	0	0.00	0	0.00
8	P. V. Hariharan	1,500	0.04	1,500	0.04
	<b>B. KEY MANAGERIAL PERSONNEL</b>				
1	Rakesh Jain - Chief Financial Officer	0	0.00	0	0.00
2	Saishwar Dalvi - Company Secretary	0	0.00	0	0.00

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,138.86	0	0	1,138.86
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	1,138.86	0	0	1,138.86
<b>Change in Indebtedness during the financial year</b>				
* Addition	971.92	267.00	0	1238.92
* Reduction	0	0	0	0
<b>Net Change</b>	971.92	0	0	1238.92
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2,110.78	267.00	0	2377.78
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0.11	0	0.11
<b>Total (i+ii+iii)</b>	2110.78	267.11	0	2377.89

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		<b>Aditya Bhuwania- WTD</b>	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,00,000	30,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission - as % of profit - others, specify...	0	0
5	Others, please specify	0	0
	<b>Total (A)</b>	<b>30,00,000</b>	<b>30,00,000</b>
	Ceiling as per the Act		

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	R. K. Saraswat	M. K. Arora	Anuj Bhargava	P. V. Hariharan	
	Fee for attending board committee meetings	1,00,000	1,00,000	15,000	60,000	2,75,000
	Commission	0	0	0	0	0
	Others, please specify	0	0	0	0	0
	Total (1)	1,00,000	1,00,000	15,000	60,000	2,75,000
2	Other Non-Executive Directors	A. K. Bhuwania	Saroj Bhuwania	--	--	
	Fee for attending board committee meetings	0	0	-	-	0
	Commission	0	0	-	-	0
	Others, please specify	0	0	-	-	0
	Total (2)	0	0	-	-	0
	Total (B)=(1+2)	1,00,000	1,00,000	15,000	60,000	2,75,000
	Total Managerial Remuneration					32,75,000
	Overall Ceiling as per the Act					

**C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD**

(Rs. in lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		4.85	31.42	36.27
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0	0	0
2	Stock Option	Not Applicable	0	0	0
3	Sweat Equity		0	0	0
4	Commission				
	- as % of profit		0	0	0
	others, specify...		0	0	0
5	Others, please specify		0	0	0
	Total		4.85	31.42	36.27



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

## CORPORATE GOVERNANCE REPORT

### 1. COMPANY'S PHILOSOPHY

The Company is committed to adopt the best Corporate Governance practices and endeavors continuously to implement the code of Corporate Governance in its true spirit. The philosophy of the Company in relation to Corporate Governance is to ensure transparency in all its operations, make disclosures and enhance shareholders' value without compromising in any way in complying with the laws, rules and regulations.

The Board of Directors acknowledges that it has a fiduciary relationship and a corresponding duty towards the stakeholders to ensure that their rights are protected. Through the Governance mechanism in the Company, the Board along with its Committees endeavors to strike a right balance with its various stakeholders.

### 2. RIGHTS OF THE SHAREHOLDERS

The Company believes in protecting the rights of the shareholders. It ensures adequate and timely disclosure of all information to the shareholders in compliance with the applicable laws. Shareholders are furnished with sufficient and timely information concerning the general meetings, issues to be discussed thereat and rules regarding holding and conducting the general meetings. All shareholders are treated equitably.

### 3. ROLE OF THE STAKEHOLDERS

The Company recognizes the rights of the stakeholders who are provided opportunity to obtain effective redressal for violation of their rights and are provided access to relevant, sufficient and reliable information on timely basis. Keeping the same in view, the Company has laid down an effective whistle blower policy enabling stakeholders, including employees to freely communicate their concerns about illegal or unethical practices. The Company do provide timely and accurate disclosure on all material matters.

### 4. BOARD OF DIRECTORS

#### a) Composition and category of Directors:

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who represents the optimum mix of professionalism, knowledge and experience.

The Board's composition is in accordance with the requirements of Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

As on 31<sup>st</sup> March, 2018, the Board of the Company comprises Eight Directors - Two Executive Directors and Six Non-Executive Directors, of whom Four are Independent Directors. The current strength of the Board includes One Women Director as required under applicable legislation. The Chairman of the Board is a Promoter- Non-Executive Chairman.

**The particulars of Directors, their category, relationship inter-se, number of shares held, attendance and other directorship, membership/chairmanship of the Board of Directors / Committees are furnished below:**

Name of Director	Category	Relationship Inter-se	No. of shares held *	Attendance		Number of other Directorship and Committee Membership / Chairmanship		
				BM	Last AGM	Others Company Directorship #	Committee Membership@	Committee Chairmanship @
Mr. A. K. Bhuwania	Promoter / Non-Executive Chairman	Father of Ashish Bhuwania and Aditya Bhuwania and Husband of Saroj Bhuwania	5,71,210	4	Yes	2	1	0
Mr. R. K. Saraswat	Independent / Non-Executive Director	None	0	4	Yes	5	0	4
Mr. M. K. Arora	Independent / Non-Executive Director	None	0	4	Yes	9	3	0
Mr. Anuj Bhargava	Independent / Non-Executive Director	None	0	1	No	1	-	-
Mr. P. V. Hariharan	Independent/ Non- Executive Director	None	1,500	6	Yes	1	-	-
Mr. Ashish Bhuwania	Promoter / Executive Director	Son of A. K. Bhuwania & Saroj Bhuwania and Brother of Aditya Bhuwania	2,80,200	2	No	0	-	-
Mr. Aditya Bhuwania	Promoter / Executive Director	Son of A. K. Bhuwania & Saroj Bhuwania and Brother of Ashish Bhuwania	2,60,300	5	Yes	1	-	-
Mrs. Saroj Bhuwania	Promoter / Non-Executive Director	Mother of Ashish Bhuwania and Aditya Bhuwania and Wife of A. K. Bhuwania	5,41,750	4	No	1	-	-

\* The Company has not issued any convertible instruments.

# Excludes Directorship in Private Limited Companies, Foreign Companies, Companies under section 8 of the Companies Act, 2013.

@ Only Chairmanship / Membership of Audit Committee and Stakeholders Relationship Committee have been considered, excluding in Priya Limited.

**b) Appointment / Re-appointment of Directors**

Mr. Aditya Bhuwania is proposed to be re-appointed as Whole Time Director. Mrs. Saroj Bhuwania, retire by rotation at the ensuing Annual General meeting and being eligible, offer herself for re-appointment. Approval of the shareholders is sought at the ensuing Annual General Meeting for his re-appointment as Director of the Company.

The list containing the details of the Directors seeking appointment/re-appointment at the Annual General Meeting is given below:-

Particulars	Mr. Aditya Bhuwania (DIN:00018911)	Mrs. Saroj Bhuwania (DIN: 00018978)
Date of Birth	13.02.1973	30.06.1958
Date of Appointment	13.08.2005	02.03.2015
Qualification	B.Sc.(Business Computer System) from Bradley University, Pearie, Illinois (U S A)	B.Com.
Expertise	Hardware Industry	Wide business experience
List of other public limited companies (in India) in which outside directorship held	Priya International Ltd.	Priya International Ltd.
Member of the committee/s of Board of Member of the committee/s of Board of Directors of other companies in which he is a Director	None	None
Relationship with other Director	Son of A. K. Bhuwania & Saroj Bhuwania and Brother of Ashish Bhuwania	Mother of Ashish Bhuwania and Aditya Bhuwania and Wife of A. K. Bhuwania

**c) Independent Directors**

The Independent Directors of the Company fully meet the requirements laid down under Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

An independent director in relation to a company, means a non executive director other than a nominee director of the Company,

- who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- who is or was not a promoter of the listed entity or its holding, subsidiary or associate company;
- who is not related to promoters or directors in the listed entity or its holding, subsidiary or associate company;
- who, apart from receiving director's remuneration, who has or had no material pecuniary relationship with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- none of whose relatives has or had pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- who, neither himself nor any of his relatives—
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the listed entity or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—

- A. a firm of auditors or company secretaries in practice or cost auditors of the listed entity or its holding, subsidiary or associate company; or
- B. any legal or a consulting firm that has or had any transaction with the listed entity, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
- holds together with his relatives two per cent or more of the total voting power of the listed entity; or
- is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent. or more of its receipts from the listed entity, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the listed entity;
- is a material supplier, service provider or customer or a lessor or lessee of the listed entity;
- who is not less than 21 years of age.

**Notes:**

- 1) **“associate company”**, in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

Explanation. —For the purposes of this clause, “significant influence” means control of at least twenty per cent of total share capital, or of business decisions under an agreement.

- 2) **“relative”**, with reference to any person, means anyone who is related to another, if—

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife; or
- (iii) one person is related to the other in such manner as may be prescribed;

- 3) **“key managerial personnel”**, in relation to a company, means—

- (i) the Chief Executive Officer or the managing director or the manager;
- (ii) the company secretary;
- (iii) the whole-time director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed;

The **tenure** of the Independent Directors is fixed in accordance with the requirements laid down in the Companies Act, 2013 and clarifications / circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. The company issued formal letters of appointment to independent directors in the manner as provided in the Companies Act, 2013. None of the Independent Directors serves in more than seven listed entities. The terms and conditions of appointment are disclosed on the website of the company.

**d) Performance Evaluation Criteria for Independent Directors**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Non Executive Directors. The parameters of performance evaluation of the Non Executive Directors will capture the following points:

- Attendance at meetings of the Board and Committee thereof,
- Participation in Board meetings or Committee thereof,
- Contribution to strategic decision making,
- Review of risk assessment and risk mitigation,

- Review of financial statements, business performance, and
- Contribution to the enhancement of brand image of the Company.

The Board of Directors (excluding the Director being evaluated) had, in their Meeting held on 12<sup>th</sup> February, 2018 evaluated the performance of all the Directors on the Board.

**e) Separate meetings of the Independent Directors**

As required under Regulation 25 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, a Meeting of the Independent Directors were held on 12<sup>th</sup> February, 2018, without the attendance of Executive Directors and members of Management. At the Meeting, they:

- Reviewed the performance of non-independent directors and the Board as a whole;
- Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**f) Familiarisation Programme for Independent Directors**

Whenever any person joins the Board of the Company as an Independent Director, an induction programme is arranged. The Company conduct programmes/ presentations periodically to familiarise the Independent Directors with the nature of industry, Business model, strategy, operations and functions of the Company and role, right & responsibilities of Independent Directors through its Executive Directors or Senior Management Personnel. The details of such familiarisation programmes have been disclosed on the Company's website at [www.priyagroup.com](http://www.priyagroup.com).

**5. BOARD MEETINGS AND GENERAL MEETINGS**

**A) BOARD MEETINGS**

The board of directors meet at least four times in a year, with a maximum time gap of one hundred and twenty days between any two meetings as per Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The meetings of the Board of Directors/Committee are held in Mumbai. The Board meets at least once in a quarter interalia to review the quarterly performance and financial results and compliance reports pertaining to all applicable laws. A total of Six Board Meetings were held during the year 2017-18 on the following dates:-

24<sup>th</sup> May, 2017, 3<sup>rd</sup> August, 2017, 11<sup>th</sup> September, 2017, 13<sup>th</sup> December, 2017, 2<sup>nd</sup> January, 2018 and 12<sup>th</sup> February, 2018.

The Board is apprised and informed of all the important matters relating to the business of the Company including those information as prescribed in Part A of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. The Whole Time Director finalises the items to be included in the agenda of the meeting and the same is sent to the members of the Board well in advance along with the relevant details and explanatory notes wherever required.

The Board of Directors are satisfied with the plans for orderly succession for appointment of Board of Directors and Senior Management. Also, the Board of Directors has laid down code of conduct for the Board and Senior Management which is available on the website of the Company. The Company has laid down the procedure for intimating the risk assessment and minimization procedures to the Board of Directors and the Board of Directors are responsible for framing, implementing and monitoring the risk management plan for the Company.



**Information Supplied to the Board / Committees**

Among others, information supplied to the Board / Committees includes:

- Annual operating plans and budgets and any update thereof.
- Capital budgets and any updates thereof.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of the Meetings of the audit committee and all other Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including the appointment or removal, if any, of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards royalty, goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of Investment, subsidiaries, assets which are material in nature and not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-Compliance of any regulatory, statutory nature or listing requirements and shareholders' service, such as non-payment of dividend, delay in share transfer etc.

**B) GENERAL MEETING**

Details of Annual General Meetings held during the preceding 3 (Three) years are as follows:-

AGM reference	Location	Date	Time	No. of Special Resolutions passed
2016-17 30 <sup>th</sup> AGM	"Hall of Quest", Nehru Planetarium, Nehru centre, Dr. Annie Besant Road, Worli, Mumbai – 400018	13 <sup>th</sup> September, 2017	11.00 A.M.	Nil
2015-16 29 <sup>th</sup> AGM	"Hall of Quest", Nehru Planetarium, Nehru centre, Dr. Annie Besant Road, Worli, Mumbai – 400018	30 <sup>th</sup> August, 2016	11.00 A.M.	Nil
2014-15 28 <sup>th</sup> AGM	"Hall of Quest", Nehru Planetarium, Nehru centre, Dr. Annie Besant Road, Worli, Mumbai – 400018	20 <sup>th</sup> August, 2015	11.00 A.M.	1

There are no Special Resolutions passed at the AGM held on **13<sup>th</sup> September, 2017.**

There are no Special Resolutions passed at the AGM held on **30<sup>th</sup> August, 2016.**

The following Special Resolutions were passed at the AGM held on **20<sup>th</sup> August, 2015**.

- (i) Re-appointment of Mr. Aditya Bhuwania as Whole Time Director

#### **Postal Ballots**

No resolutions were passed during the year through postal ballot.

No resolutions are proposed to be conducted through postal ballot at the ensuing AGM.

#### **C) EXTRA ORDINARY GENERAL MEETING**

No Extra Ordinary General Meeting of the Shareholders was held during the financial year ended 31<sup>st</sup> March, 2018.

#### **6. BOARD COMMITTEES:**

Under Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, none of the Directors on the Board is a Member of more than ten (10) Committees and none is a Chairman of more than five (5) Committees across all the Indian Public Limited Companies in which they are Directors. All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies.

The Board has constituted the following committees of Directors:-

- I. Audit Committee
- II. Nomination and Remuneration Committee
- III. Stakeholders Relationship Committee
- IV. Share Transfer Committee.

#### **I) AUDIT COMMITTEE**

##### **a) Terms of Reference**

The term of reference of the Audit Committee include the matters specified under Part C of Schedule II of Regulation 18 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

##### **b) Composition**

The Audit Committee comprises of three Directors two of whom are Non Executive Independent Directors including the Chairman of the Audit Committee. The details of the members are as under:

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Mr. R.K. Saraswat	Chairman	Independent / Non– Executive Director
Mr. M. K. Arora	Member	Independent / Non-Executive Director
Mr. A. K. Bhuwania	Member	Non Executive Chairman

The Company Secretary and Compliance Officer, Mr. Saishwar Dalvi, acts as Secretary of the Audit Committee. The members of the Audit Committee are financially literate and two members has accounting and related financial management expertise. The Statutory Auditor, Internal Auditor and Chief Financial Officer are invitees to the meetings.

##### **c) Power of Audit Committee**

The audit committee has the following powers:-

- i) To investigate any activity within its terms of reference;
- ii) To seek information from any employee;
- iii) To obtain outside legal or other professional advice;
- iv) To secure attendance of outsiders with relevant expertise, if it considers necessary.

**d) Role of Audit Committee:**

- i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- iii) Approval of payment to statutory Auditors for any other services rendered by the statutory auditors.
- iv) Reviewing with management the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matter required to be included in the Directors Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements relating to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in draft audit report.
- v) Reviewing with the management, the quarterly financial statements before submission to the board for approval
- vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii) Approval or any subsequent modification of transactions of the company with related parties;
- ix) Scrutiny of inter-corporate loans and investments;
- x) Valuation of undertakings or assets of the company, wherever it is necessary;
- xi) Evaluation of internal financial controls and risk management systems;
- xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of the internal audit.
- xiv) Discussion with internal auditors any significant findings and follow up thereon.
- xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- xvi) Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

- xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xviii) To review the functioning of the Whistle Blower Mechanism,
- xix) Approval of appointment of chief financial officer after assessing the qualifications, experience & background, etc. of the candidate.
- xx) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

**e) Review of Information by the Audit Committee**

The audit committee reviews the following information:

- i) Management discussion and analysis of financial condition and results of operation.
- ii) Statement of significant related party transaction (as defined by audit committee) submitted by the management.
- iii) Management letters/letters of internal control weaknesses issued by the statutory auditors.
- iv) Internal audit reports relating to internal control weaknesses and
- v) The appointment, removal and terms of remuneration of the chief internal auditors shall be subject to review by the audit committee.
- vi) Statement of deviations, if any.

**f) Audit Committee meetings and attendance**

The Audit Committee met 4 (Four) times during the year at the following dates: - 24<sup>th</sup> May, 2017, 11<sup>th</sup> September, 2017, 13<sup>th</sup> December, 2017 and 12<sup>th</sup> February, 2018. The Company complied with quorum of the Audit Committee Meeting. The Chairman of Audit Committee was present at Annual General Meeting held on 13<sup>th</sup> September, 2017 to answer shareholders queries. Details of Attendance of each members of committee are given below:-

Name	Designation	No. of Meetings	
		Held	Attended
Mr. R. K. Saraswat	Chairman	4	4
Mr. M. K. Arora	Member	4	4
Mr. A. K. Bhuwania	Member	4	3

**II) NOMINATION AND REMUNERATION COMMITTEE**

**a) Terms of Reference**

The Company's Nomination and Remuneration Committee is vested with all the necessary powers and authority to ensure appropriate disclosure on the remuneration of director and to deal with all the elements of remuneration package of Directors and Management Personnel.

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- (ii) Formulation of criteria for evaluation of Independent Directors and the board of directors;
- (iii) Devising a policy on Board diversity.
- (iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- (v) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**b) Composition and Attendance at Meeting**

The Nomination and Remuneration Committee comprises of 4 (Four) Non-Executive Members out of which 3 (Three) are Independent Directors. Mr. M. K. Arora, Non - Executive Independent Director of the Company is the Chairman of the Committee. During the year under review, 1 (One) meeting of Nomination and Remuneration Committee was held on 24<sup>th</sup> May, 2017. The Chairman of Nomination and Remuneration Committee was present at Annual General Meeting held on 13<sup>th</sup> September, 2017 to answer shareholders queries. The details of the composition, categories and attendance during the year are as under.

Name	Designation	Category	No. of Meetings	
			Held	Attended
Mr. M. K. Arora	Chairman	Independent / Non- Executive Director	1	1
Mr. R.K. Saraswat	Member	Independent / Non-Executive Director	1	1
Mr. A. K. Bhuwania	Member	Non Executive Chairman	1	1
Mr. Anuj Bhargava	Member	Independent / Non- Executive Director	1	0

**c) Remuneration Policy**

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The remuneration policy is in consonance with the existing practice in the Industry.

**d) Remuneration of Directors**
**A. Non Executive Director's Remuneration**

The Non Executive Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Audit Committee Meeting. The Criteria of making payments to Non-Executive Directors is posted on the Company's website at [www.priyagroup.com](http://www.priyagroup.com). The payment of remuneration by way of sitting fees is as under:

Name of Director	Category	Sitting Fees * (Rs.)
Mr. A. K. Bhuwania	Promoter/Non-Executive Chairman	Nil
Mr. R. K. Saraswat	Independent/ Non Executive Director	1,00,000
Mr. M. K. Arora	Independent/ Non Executive Director	1,00,000
Mr. Anuj Bhargava	Independent/ Non Executive Director	15,000
Mr. P. V. Hariharan	Independent /Non Executive Director	60,000
<b>Total</b>		<b>2,75,000</b>

\*Includes fees for Audit Committee Meetings.

**B. Executive Director's Remuneration**

The Whole Time Directors (designated as Executive Directors) are being paid in accordance with and subject to the limits laid down in the Schedule V of the Companies Act, 2013. The remuneration to the Whole Time Directors are approved by the Board of Directors and subsequently ratified by the shareholders in their general meeting. The payment of remuneration to Executive Director is as under:

Name of Director	Category	Remuneration (Rs.)
Mr. Aditya Bhuwania	Promoter / Executive Director	30,00,000
<b>TOTAL</b>		<b>30,00,000</b>

1. The Company does not have policy of paying commission on profits to any of the Directors of the Company.
2. No such performance linked incentive are given to the Directors of the Company.
3. Presently, the Company does not have a scheme for grant of stock options either to the whole-time Directors or Employees of the Company.

4. There is no separate provision for payment of severance fees.

### III) STAKEHOLDERS RELATIONSHIP COMMITTEE

#### a) Terms of reference

The terms of reference of the Committee include redressing Shareholders/ Investors complaints like transfer and transmission of shares, issue of duplicate share certificate, non-receipt of balance sheet, non-receipt of dividend etc. and to ensure expeditious share transfer process.

#### b) Composition of the committee

The Stakeholders Relationship Committee comprises of 3 (Three) members viz. Mr. M. K. Arora, Mr. A. K. Bhuwania & Mr. R. K. Saraswat

Mr. M. K. Arora, Non- Executive and Independent Director is the Chairman of the Shareholders / Investors Grievance Committee.

Mr. Saishwar Dalvi, Company Secretary of the Company is Compliance Officer of the Company. The Company Secretary is the secretary to the Stakeholders Relationship committee. During the year under review, 1 (One) meeting of Stakeholders Relationship Committee was held on 24<sup>th</sup> May, 2017.

During the year under review 2 (Two) complaint has been received by the Company from Investor(s) which were resolved and no complaints were pending at end of the year.

### IV) SHARE TRANSFER COMMITTEE

#### a) Terms of reference

The terms of reference of the Committee include giving effects to the shares transfer and transmission of shares, issue of duplicate share certificate etc.

Bigshare Services Private Limited is the Registrar and Share Transfer Agent of the Company and the Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services.

#### b) Composition of the committee

The Committee comprises of 3 (Three) members and Mr. Aditya Bhuwania, Executive Director of the Company is the Chairman of the Share Transfer Committee.

The Composition of the Share Transfer Committee is as under:

Name of the Director	Executive/ Non-Executive
Mr. A. K. Bhuwania	Promoter/ Non-Executive Director
Mr. Aditya Bhuwania	Promoter/ Executive Director
Mr. Saishwar Dalvi	Company Secretary & Compliance Officer

During the year under review, the Committee met 11 times on 7<sup>th</sup> April, 2017, 23<sup>rd</sup> June, 2017, 21<sup>st</sup> July, 2017, 28<sup>th</sup> July, 2017, 18<sup>th</sup> August, 2017, 1<sup>st</sup> September, 2017, 22<sup>nd</sup> September, 2017, 6<sup>th</sup> October, 2017, 1<sup>st</sup> December, 2017, 23<sup>rd</sup> February, 2018 and 30<sup>th</sup> March, 2018.

No request for share transfer/ transmission was pending for more than two weeks and no transfer / transmissions of shares etc. were pending as on 31<sup>st</sup> March 2018.

### 7. DISCLOSURES:

#### a) Whistle Blower Policy/Vigil Mechanism

In line with the best Corporate Governance practices, Priya Limited, has put in place a system through which the Directors and employees may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct without fear of reprisal. The Whistle-blower Policy is placed on the website of the Company.

#### b) Subsidiary Company

The Company does not have any subsidiary Company.

**c) Related Party Transactions**

The Company has formulated a policy on Related Party Transactions and also on dealing with Related Parties which is disclosed on the website of the Company and the weblink is [http://www.priyagroup.com/pdf/pl\\_Related\\_Party\\_Transaction\\_policy.pdf](http://www.priyagroup.com/pdf/pl_Related_Party_Transaction_policy.pdf)

All Related Party Transactions have been approved by the Audit Committee. The Company has taken omnibus approval of Audit Committee for a period of one year. The Audit Committee has reviewed on quarterly basis the details of Related Party Transactions entered into by the Company pursuant to such omnibus approval.

**8. OTHER DISCLOSURES**

- a) There are no materially related party transactions. Related party transactions are disclosed in Note No.38 to the financial statement in the Annual Report. The Audit Committee had reviewed and approved the related party transactions as mandatory requirement under Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy of related party transactions is available on the website of the Company.
- b) The Company has prepared the financial statements in compliance with the Accounting Standards applicability to the Company. There is no material departure from the accounting treatment prescribed under the Accounting Standards.
- c) The Company had complied with the requirement of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years. No pecuniary structures have been imposed on the Company by any of the above mentioned authorities.
- d) The Company has complied with all the mandatory requirements and has also disclosed information relating to non-mandatory requirements.
- e) Management Discussion and Analysis Report forms part of the Annual Report.

**9. MEANS OF COMMUNICATION**

The Un-audited and Audited Financial Results of the Company for each Quarter and for the year ended as the case may be were published in Free Press Journal (English) and Navshakti (Marathi). The said financial results were also displayed on the Company's website i.e. [www.priyagroup.com](http://www.priyagroup.com).

**10. NON-MANDATORY REQUIREMENTS:**

**(1) Shareholder Rights**

The Quarterly, Half yearly and Annual Financial Results of the Company are published in the Newspapers, besides notifying to the Stock Exchanges where the Company shares are listed. The Quarterly, Half yearly and Annual Financial Results are also available on Company's website at [www.priyagroup.com](http://www.priyagroup.com). The Audited annual report is also sent to every shareholders of the Company.

**(2) Audit qualifications**

There are no qualifications in the Auditors' Report to the Members on the Financial Accounts for the year ended 31.03.2018.

**(3) Reporting of Internal Auditor**

The Internal Auditor directly reports to the Audit Committee

**(4) Other Non-Mandatory Requirements**

The other Non-mandatory requirements will be implemented in due course as and when required and/or deemed necessary by the Board.



## 11. SECRETARIAL AUDIT

The secretarial audit report by M/s. Sonal Kothari & Associates, a Practising Company Secretary, forms part of the Annual Report, have no adverse remarks for the year ended 31<sup>st</sup> March, 2018. The report is self-explanatory.

## 12. GENERAL SHAREHOLDERS INFORMATION:

- |   |  |
|---|--|
| <b>a. Date and time of AGM</b>  | : Wednesday, 19 <sup>th</sup> September, 2018 at 11.00 A.M.  |
| <b>b. Venue</b>   | : "Hall of Quest", Nehru Planetarium,<br>Nehru Centre, Dr. Annie Besant Road,<br>Worli, Mumbai – 400 018   |
| <b>c. Financial Year</b>  | : 1 <sup>st</sup> April 2017 to 31 <sup>st</sup> March 2018  |
| <b>d. FINANCIAL CALENDAR (Provisional) for 1<sup>st</sup> April, 2018 – 31<sup>st</sup> March, 2019</b> |  |
| 1 <sup>st</sup> Quarterly Result  | : On or before 14 <sup>th</sup> August, 2018.  |
| 2 <sup>nd</sup> Quarterly Result  | : On or before 14 <sup>th</sup> November, 2018.  |
| 3 <sup>rd</sup> Quarterly Result  | : On or before 14 <sup>th</sup> February, 2019.  |
| Annual Results  | : On or before 30 <sup>th</sup> May, 2019.   |
| <b>e. Book Closure dates</b>  | : 13 <sup>th</sup> September, 2018 to 19 <sup>th</sup> September, 2018<br>(both days inclusive)  |
| <b>f. Dividend Payment date</b>   | : Within 30 days from the date of declaration  |
| <b>g. Listing on Stock Exchanges</b>  | : 1. BSE Limited (BSE),<br>Phiroze Jeejeebhoy Towers, Dalal Street,<br>Mumbai- 400 023<br><br>2. The Calcutta Stock Exchange Limited*<br>(CSE) (applied for delisting), 7, Lyons Range,<br>Kolkata – 700 001 |
| <b>h. Listing Fees</b>  | : i. Listing fees of BSE have been paid.<br>ii. Listing Fees of CSE.*  |
| <b>i. Stock Code (BSE)</b>  | : 524580   |
| <b>j. ISIN No.</b>  | : <b>INE686C01014</b> (For dematerialization of shares)  |
| <b>k. Registered Office</b>   | : 4 <sup>TH</sup> Floor, Kimatrai Building, 77-79 Maharshi<br>Karve Marg, Marine Lines (E) Mumbai 400002   |

\*Application for delisting of equity shares of the Company from Calcutta Stock Exchange Limited has made long back but the said exchange has not granted in-principle permission of de-listing till date.

**I. Market Price Data:**

The monthly high and low prices of Equity Shares of the Company on The Bombay Stock Exchange Limited (BSE), and BSE Sensex during the year 2017-2018 are as under:

MONTH	RATES (Rs.)		BSE SENSEX (Rs.)	
	HIGH	LOW	HIGH	LOW
APRIL,17	42.80	37.75	30,184.22	29,241.48
MAY,17	46.80	35.50	31,255.28	29,804.12
JUNE,17	92.65	41.45	31,522.87	30,680.66
JULY,17	117.50	64.90	32,672.66	31,017.11
AUGUST,17	61.70	45.45	32,686.48	31,128.02
SEPTEMBER,17	43.20	37.10	35,524.11	31,081.83
OCTOBER,17	59.60	30.25	33,340.17	31,440.48
NOVEMBER,17	61.00	42.05	33,865.95	32,683.59
DECEMBER,17	48.70	39.05	34,137.97	32,565.16
JANUARY,18	51.00	39.65	36,443.98	33,703.37
FEBRUARY,18	52.55	40.85	36,256.83	33,482.81
MARCH,18	51.40	41.30	34,278.63	32,483.84

**m. Distribution of shareholding: as on 31<sup>st</sup> March, 2018**

Distribution range of Shares	No of Shareholders	% of shareholders	No. of shares held	% of shareholding
1 to 500	2365	93.63	276571	9.21
501 to 1000	87	3.44	68696	2.29
1001 to 2000	31	1.23	45205	1.51
2001 to 3000	10	0.39	24484	0.81
3001 to 4000	5	0.20	18031	0.60
4001 to 5000	8	0.32	37658	1.25
5001 to 10000	5	0.20	35315	1.18
10001 & Above	15	0.59	2496340	83.15
<b>Total</b>	<b>2526</b>	<b>100.00</b>	<b>3002300</b>	<b>100.00</b>

**n. Categories of Shareholding as on 31<sup>st</sup> March, 2018**

SHAREHOLDING PATTERN		
Category of Shareholders	No. of shares held	%
Promoters and Promoters Group	2235160	74.45
Mutual Funds and UTI	100	0.01
Indian Public	588386	19.60
Bodies Corporate	52609	1.75
Clearing Member	950	0.03
NRI/OCB	125095	4.16
<b>TOTAL</b>	<b>3002300</b>	<b>100.00</b>

- o. Registrar and Share Transfer Agents** : Bigshare Services Pvt. Ltd.  
(Common agency for Demat and Share Transfer)  
1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai 400 059.  
Tel: 022-62638200  
Fax: 022-62638299  
Email: info@bigshareonline.com
- p. Dematerialization of shares & liquidity** : The Equity Shares of Company are dematerialized with National Security Depository Limited and Central Depository Services (India) Limited and the total number of Shares dematerialized as on 31.03.2018 is 28,44,962.
- q. Share Transfer System** : Trading in Equity Shares of the Company is permitted in dematerialized form. Shares sent for transfer in physical form are registered and returned in a period of fifteen days of the receipt of the document, provided the documents are valid and complete in all respect.
- r. Out-standing GDRs/ADRs/ Warrants or any Convertible Instruments** : NIL
- s. Plant Location** : Not applicable as the Company has no Plant.
- t. Address for correspondence** : **Priya Limited**  
4<sup>TH</sup> Floor, Kimatrai Building, 77/79 Maharshi Karve Marg, Marine Lines (E), Mumbai 400 002.  
Tel. No. 022 4220 3100
- u. Commodity price risk or foreign exchange and hedging activities :**  
The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking, inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

### COMPLIANCE WITH CODE OF CONDUCT

As required under Part D of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, all the Board Members and Senior Management personnel have affirmed their compliance with the Company's code of conduct for the year ended 31<sup>st</sup> March, 2018.

Place: Mumbai

Date: 28<sup>th</sup> May, 2018

**Rakesh Jain**

Chief Financial Officer

**CERTIFICATION BY WHOLE TIME DIRECTOR AND CHIEF FINANCIAL OFFICER**

We, the undersigned of the Company hereby certify that :

1. We have reviewed the financial statements and the cash flow statement for the year 31<sup>st</sup> March 2018 and that to the best of their knowledge and belief :
  - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies and
4. We have indicated to the auditors and the Audit committee that there are:
  - significant changes in internal control over financial reporting during the year ,if any;
  - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
  - No instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Aditya Bhuwania**  
Whole Time Director

**Rakesh Jain**  
Chief Financial Officer

Place : Mumbai  
Date : 28<sup>th</sup> May, 2018

**CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE****Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

The Members of

**Priya Limited**

1. We have examined the compliance of conditions of Corporate Governance by Priya Limited (the Company), for the year ended 31<sup>st</sup> March 2018, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations) pursuant to the Listing Agreement of the Company with Stock Exchange.

**Management's Responsibility for compliance with the conditions of Listing Regulations**

2. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the management of the company including the preparation and maintenance of all relevant supporting records and documents.

**Auditor's Responsibility**

3. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31<sup>st</sup> March, 2018.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing

For **Kanu Doshi Associates LLP**

Chartered Accountants

Firm Regn No.: 104746W/W100096

**Jayesh Parmar**

Partner

Membership No.:45375

Date : 28<sup>th</sup> May, 2018

Place : Mumbai

## **INDEPENDENT AUDITOR'S REPORT**

To,

The Members of **PRIYA LIMITED**

### **Report on the Ind AS Financial Statements**

We have audited accompanying Ind AS financial statements of **PRIYA LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

### **Management's Responsibility for Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) as at March 31, 2018, and its financial performance including other comprehensive income, its cash flow and the changes in equity for the year ended on that date.

**Other Matter**

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these Ind AS financial statements are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006. For the year ended March 31, 2017 and March 31, 2016 on which the predecessor auditor expressed an unmodified opinion vide audit report dated May 24, 2017 and May 26, 2016 respectively on those Ind As financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

**Report on other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Ind AS financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement and the statement of changes in equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the Ind As financial statements.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors, as on March 31, 2018 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 26 to the Ind AS financial statements);
    - ii. The Company did not have any material foreseeable losses on long-Term contracts including derivatives contracts.
    - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Kanu Doshi Associates LLP**

Chartered Accountants

Firm Registration Number: 104746W/W100096

**Jayesh Parmar**

Partner

Membership No: 045375

Place: Mumbai

Date: May 28, 2018



**ANNEXURE A TO THE AUDITOR'S REPORT**

Referred to in paragraph 1 of '**Report on other Legal and Regulatory Requirements**' in our Report of even date on the accounts of PRIYA LIMITED for the year ended March 31, 2018

- i. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification
- (c) According to the information and explanations given to us and on the basis of examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventories have been physically verified by the management. In our opinion, the frequency of the verification done by the management is reasonable. The discrepancies noticed on physical verification of the inventories as compared to book records were not material and have been properly dealt with in the books of account.
- iii. As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms, and limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence sub clauses (a) & (b) of clause 3(iii) of the order are not applicable to the Company.
- iv. According to information and explanation provided to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the companies Act, 2013.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause (v) is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under sub-Section (1) of Section 148 of the Companies Act, for any of the products of the Company.
- vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise duty, value added tax, Goods and Service Tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.
- (b) The disputed statutory dues aggregating ₹3,39,15,148/- pending before the appropriate authorities are as under:

Sr no	Name of Statute	Nature of dues	Forum where the dues is pending	Amount in ₹
1	Income Tax	Income Tax	ACIT AY 2011-12	28,90,236
2	Custom Duties	Customs Duties	Commissioner Appeal	3,10,24,912
<b>TOTAL</b>				<b>3,39,15,148</b>

- viii. According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to financial institution, bank or debenture holders as at the Balance Sheet date.
- ix. The Company has not raised any money by way of public issue/ further offer including debt instruments.
- x. To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. The managerial remuneration paid by the company is in accordance with the requisite approvals mandated by the provisions of Section 197 read with schedule V to the Companies Act, 2013.

- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of CARO 2016 Order is not applicable.
- xiii. The Company has complied with the provisions of Section 177 and 188 of Companies Act, 2013 in respect of transactions with the related parties and has disclosed the details in the Financial Statements in accordance with the Indian Accounting Standard 24.
- xiv. The Company has not made any preferential allotment or private placement of shares or has fully or partly convertible debentures during the year under review and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- xvi. According to the information and explanations given to us the company is not required to obtain registration under Section 45 IA of the Reserve Bank of India Act, 1934 and therefore clause (xvi) is not applicable.

**For Kanu Doshi Associates LLP**

Chartered Accountants

Firm Registration Number: 104746W/W100096

**Jayesh Parmar**

Partner

Membership No: 045375

Place: Mumbai

Date: May 28, 2018

**ANNEXURE B TO THE AUDITORS' REPORT**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **PRIYA LIMITED** ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls

over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **For Kanu Doshi Associates LLP**

Chartered Accountants

Firm Registration Number: 104746W/W100096

#### **Jayesh Parmar**

Partner

Membership No: 045375

Place: Mumbai

Date: May 28, 2018

## BALANCE SHEET AS AT 31ST MARCH, 2018

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	AS AT March 31, 2018	AS AT March 31, 2017	AS AT April 1, 2016
<b>I ASSETS</b>				
<b>(1) Non - current assets</b>				
(a) Property, plant and equipment	3	33.73	39.01	52.65
(b) Investment property	4	154.12	162.24	170.80
(c) Other intangible assets	5	2.91	6.48	7.95
(d) Financial assets				
(i) Investments	6	100.98	88.37	135.23
(ii) Other financial assets	7	53.44	12.29	8.59
(e) Deferred tax assets (net)	8	47.16	54.85	67.46
(f) Other tax assets	9	66.79	60.68	39.23
(g) Other non - current assets	10	-	0.01	0.24
<b>Total Non - Current Assets</b>		<b>459.13</b>	<b>423.92</b>	<b>482.15</b>
<b>(2) Current assets</b>				
(a) Inventories	11	86.80	172.36	193.82
(b) Financial assets				
(i) Trade receivables	12	7,859.22	4,526.86	5,122.19
(ii) Cash and cash equivalents	13	138.66	138.70	365.62
(iii) Bank balances other than (ii) above	14	207.96	207.59	207.42
(iv) Other financial assets	15	9.95	50.86	89.08
(c) Other current assets	16	347.85	609.80	332.23
<b>Total Current Assets</b>		<b>8,650.44</b>	<b>5,706.17</b>	<b>6,310.36</b>
<b>TOTAL ASSETS</b>		<b>9,109.57</b>	<b>6,130.09</b>	<b>6,792.51</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital	17	300.23	300.23	300.23
(b) Other equity	18	2,656.56	2,626.67	2,835.28
<b>Total Equity</b>		<b>2,956.79</b>	<b>2,926.90</b>	<b>3,135.51</b>
<b>LIABILITIES</b>				
<b>(1) Non - current liabilities</b>				
(a) Provisions	19	98.73	90.57	83.79
<b>Total Non - Current Liabilities</b>		<b>98.73</b>	<b>90.57</b>	<b>83.79</b>
<b>(2) Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	20	2,377.78	1,138.86	1,475.10
(ii) Trade payables	21	3,614.63	1,918.70	2,041.50
(iii) Other financial liabilities	22	11.01	13.34	18.73
(b) Other current liabilities	23	8.23	18.67	15.53
(c) Provisions	24	23.85	23.05	22.35
(d) Current tax liabilities (net)	25	18.55	-	-
<b>Total Current Liabilities</b>		<b>6,054.05</b>	<b>3,112.62</b>	<b>3,573.21</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9,109.57</b>	<b>6,130.09</b>	<b>6,792.51</b>
<b>Contingent liabilities and capital commitments</b>	26			
Company profile	1			
Summary of significant accounting policies	2			

The accompanying notes are an integral part of the financial statements.

As per our report attached of even date

**FOR KANU DOSHI ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration Number : 104746W/W100096

**FOR AND ON BEHALF OF THE BOARD**

**JAYESH PARMAR**  
**PARTNER**  
 MEMBERSHIP NO.045375

**ADITYA BHUWANIA**  
**WHOLE TIME DIRECTOR**  
 DIN : 00018911

**R.K.SARASWAT**  
**DIRECTOR**  
 DIN: 00015095

**PLACE : MUMBAI**  
**DATED : 28TH MAY, 2018**

**RAKESH JAIN**  
**CHIEF FINANCIAL OFFICER**

**SAISHWAR DALVI**  
**COMPANY SECRETARY**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	2017-18	2016-17
Revenue from operations	27	9,161.26	7,545.90
Other income	28	56.96	60.90
<b>Total Revenue</b>		<b>9,218.22</b>	<b>7,606.80</b>
<u>Expenses</u>			
Purchases of stock - in - trade	29	8,209.23	6,850.07
Changes in inventories of stock - in - trade	30	85.56	21.46
Employee benefit expenses	31	344.17	315.45
Finance costs	32	85.87	106.89
Depreciation & amortization expense	33	27.46	30.30
Other expenses	34	382.82	462.85
<b>Total Expenses</b>		<b>9,135.11</b>	<b>7,787.02</b>
Profit before exceptional items & tax		<b>83.11</b>	<b>(180.22)</b>
Add: Exceptional items		-	-
Profit before tax		83.11	(180.22)
Less: Tax expense			
(1) <u>Current tax</u>			
for current tax		30.43	-
for earlier years		-	1.55
(2) Deferred tax		3.84	9.81
Total Tax Expenses		<b>34.27</b>	<b>11.36</b>
<b>Profit / (Loss) after tax</b>	A	<b>48.84</b>	<b>(191.58)</b>
Other Comprehensive Income			
A. (i) Items that will not reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not reclassified to profit or loss		-	-
B. (i) Items that will not reclassified to profit or loss		21.04	21.89
(ii) Income tax relating to items that will not reclassified to profit or loss		(3.85)	(2.79)
Total Other Comprehensive Income for the year	B	17.19	19.10
Total Comprehensive Income for the year	A+B	<b>66.03</b>	<b>(172.48)</b>
Earning per equity share (Face Value of Rs. 10/- each)	35		
(1) Basic		<b>1.63</b>	<b>(6.38)</b>
(2) Diluted		<b>1.63</b>	<b>(6.38)</b>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report attached of even date

**FOR KANU DOSHI ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**  
Firm Registration Number : 104746W/W100096

**FOR AND ON BEHALF OF THE BOARD**

**JAYESH PARMAR**  
**PARTNER**  
**MEMBERSHIP NO.045375**

**ADITYA BHUWANIA**  
**WHOLE TIME DIRECTOR**  
**DIN : 00018911**

**R.K.SARASWAT**  
**DIRECTOR**  
**DIN: 00015095**

**PLACE : MUMBAI**  
**DATED : 28TH MAY, 2018**

**RAKESH JAIN**  
**CHIEF FINANCIAL OFFICER**

**SAISHWAR DALVI**  
**COMPANY SECRETARY**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

(All Amounts in INR Lakhs, unless otherwise stated)

	2017-18	2016-17	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before tax	83.11	(180.22)	
Adjustment for :			
Depreciation	27.46	30.30	
Bad debts written off (net)	-	0.01	
Interest income	(14.70)	(15.94)	
Interest expenses	77.80	78.75	
Reclassification of remeasurement of employee benefits	8.42	8.76	
Sundry balance written off (net)	(0.26)	2.97	
Exchange rate fluctuation (net)	4.80	(21.99)	
Loss on obsolescence of fixed assets	-	0.05	82.91
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	186.63	(97.31)	
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :			
Inventories	85.56	21.47	
Trade receivables	(3,320.70)	619.41	
Other bank balances	(0.37)	(0.16)	
Other current financial assets	40.72	38.05	
Other current assets	261.54	(285.62)	
Other non current financial assets	(41.15)	(3.70)	
Other non current assets	0.01	0.23	
Other current financial liabilities	(3.15)	3.15	
Trade payable	1,680.14	(124.70)	
Other current liabilities	(10.44)	3.30	
Current provision	0.79	0.70	
Non current provision	8.16	11.50	283.62
Cash generated from operations	(1,112.26)	186.31	
Direct taxes refund (net)	(17.98)	(23.00)	
NET CASH GENERATED FROM OPERATING ACTIVITIES	(1,130.24)	163.31	
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets	(10.49)	(6.68)	
Sale of non current investment	-	60.00	
Interest received	14.90	16.10	69.42
NET CASH GENERATED FROM INVESTING ACTIVITY	4.41	69.42	
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings	-	(345.75)	
Proceeds from borrowings	1,238.91	-	
Interest paid	(77.69)	(78.77)	
Dividend paid (including dividend tax)	(35.43)	(35.13)	(459.65)
NET CASH USED IN FINANCING ACTIVITY	1,125.79	(459.65)	
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS(A+B+C)</b>	<b>(0.04)</b>	<b>(226.92)</b>	
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>138.70</b>	<b>365.62</b>	
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>138.66</b>	<b>138.70</b>	
	<b>(0.04)</b>	<b>(226.92)</b>	

**Notes**

- 1 CASH AND CASH EQUIVALENTS INCLUDES (Refer Note No. 13) :
- |                              |               |               |
|------------------------------|---------------|---------------|
| Cash in hand                 | 0.50          | 0.57          |
| Balance with scheduled banks |               |               |
| In current account           | 138.16        | 138.13        |
|                              | <b>138.66</b> | <b>138.70</b> |
- 2 Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with those of the current year.

As per our report attached of even date

**FOR KANU DOSHI ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**

Firm Registration Number : 104746W/W100096

**JAYESH PARMAR**  
**PARTNER**  
**MEMBERSHIP NO.045375**
**PLACE : MUMBAI**  
**DATED : 28TH MAY, 2018**
**FOR AND ON BEHALF OF THE BOARD**
**ADITYA BHUWANIA**  
**WHOLE TIME DIRECTOR**  
**DIN : 00018911**
**RAKESH JAIN**  
**CHIEF FINANCIAL OFFICER**
**R.K.SARASWAT**  
**DIRECTOR**  
**DIN: 00015095**
**SAISHWAR DALVI**  
**COMPANY SECRETARY**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018**
**(a) Equity Share Capital**

(All Amounts in INR Lakhs, unless otherwise stated)

Particulars	No. of shares	Amount
<b>Balance as at 1st April, 2016</b>	30,02,300	300.23
Changes in equity share capital during the year	-	-
<b>Balance as at 31st March, 2017</b>	30,02,300	300.23
Changes in equity share capital during the year	-	-
<b>Balance as at 31st March, 2018</b>	30,02,300	300.23

**(b) Other Equity**

Particulars	Reservers and Surplus			Other items of Other comprehensive income		Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Remeasurement of net defined benefit plans	Fair Value through Other Comprehensive Income of Equity Investments	
<b>Balance as at 1st April, 2016</b>	400.92	1,568.77	1,093.60	(2.75)	(225.26)	2,835.28
Profit for the year	-	-	(191.57)	-	-	(191.57)
Final Dividend Paid	-	-	(30.02)	-	-	(30.02)
Tax on Dividend	-	-	(6.11)	-	-	(6.11)
Remeasurements of Defined Benefit Plan	-	-	-	5.96	-	5.96
Fair Value effect of Investments of shares	-	-	-	-	13.13	13.13
<b>Balance as at 31st March, 2017</b>	<b>400.92</b>	<b>1,568.77</b>	<b>865.90</b>	<b>3.21</b>	<b>(212.13)</b>	<b>2,626.67</b>
Profit for the year	-	-	48.84	-	-	48.84
Final Dividend Paid	-	-	(30.02)	-	-	(30.02)
Tax on Dividend	-	-	(6.11)	-	-	(6.11)
Remeasurements of Defined Benefit Plan	-	-	-	6.46	-	6.46
Fair Value effect of Investments of shares	-	-	-	-	10.72	10.72
<b>Balance as at 31st March, 2018</b>	<b>400.92</b>	<b>1,568.77</b>	<b>878.61</b>	<b>9.67</b>	<b>(201.41)</b>	<b>2,656.56</b>

As per our report attached of even date

**FOR KANU DOSHI ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration Number : 104746W/W100096

**FOR AND ON BEHALF OF THE BOARD**
**JAYESH PARMAR**  
**PARTNER**  
**MEMBERSHIP NO.045375**
**ADITYA BHUWANIA**  
**WHOLE TIME DIRECTOR**  
**DIN : 00018911**
**R.K.SARASWAT**  
**DIRECTOR**  
**DIN: 00015095**
**PLACE : MUMBAI**  
**DATED : 28TH MAY, 2018**
**RAKESH JAIN**  
**CHIEF FINANCIAL OFFICER**
**SAISHWAR DALVI**  
**COMPANY SECRETARY**



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### 1 Company Overview

Priya Limited ("the Company"), is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's equity shares are listed on the bourses of The BSE Ltd. The Company engaged in the business of Trading in Electronics and Chemicals.

### 2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (A) Basis Of Preparation Of Financial Statement

##### i) Compliance with Ind AS

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) notified under Section 133 of the Act and other relevant provisions of the Act ("Previous GAAP").

These financial statements are the first financial statements of the Company under Ind AS. The date of transition to IND AS is 1st April, 2016. Refer note 44 related to First-time Adoption of Ind AS for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

First-time adoption: In accordance with Ind AS 101 on First-time adoption of Indian Accounting Standards, the Company's first Ind AS financial statements include, three balance sheets viz. the opening balance sheet as at 1st April, 2016 and balance sheets as at 31st March, 2017 and 2018 and two statements each of profit and loss, cash flows and changes in equity for the years ended 31st March, 2017 and 2018 together with related notes. The same accounting policies have been used for all periods presented.

The financial statements were authorized for issue by the Company's Board of Directors on 28th May, 2018.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lacs, unless otherwise indicated.

##### ii) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except in case of significant uncertainties and except for the following:

- (a) Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;
- (b) Defined benefit plans where plan assets are measured at fair value.
- (c) Investments are measured at fair value.

##### iii) Current and Non Current Classification.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

### **(B) Use of estimates and judgements**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

### **(C) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **(I) Financial Assets**

##### **(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- (a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- (b) those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

- (a) For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.
- (b) For investments in debt instruments, this will depend on the business model in which the investment is held.
- (c) For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

##### **(ii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

##### **(a) Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

### (b) Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### (iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

### (iv) Derecognition of financial assets

A financial asset is derecognised only when -

- (a) The Company has transferred the rights to receive cash flows from the financial asset or
- (b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(II) Financial Liabilities**
**(i) Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through profit or loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

**(ii) Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**(D) Financial guarantee contracts**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

**(E) Segment Report**

- (i) The company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.
- (ii) The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

**(F) Inventories Valuation**

Inventories are valued at lower of Cost and Net Realisable Value. Cost of traded goods is arrived at on FIFO basis.

**(G) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits with banks, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.

**(H) Income tax, deferred tax and dividend distribution tax**

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

Current and deferred tax is recognised in the profit and loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

### (i) Current income tax

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### (ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Minimum Alternate Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### (iii) Dividend distribution tax

Dividend distribution tax paid on the dividends is recognised consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to statement of profit and loss if the dividend itself is charged to statement of profit and loss. If the dividend is recognised in equity, the presentation of dividend distribution tax is recognised in equity.

### (I) Property, plant and equipment

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

- (i) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.
- (ii) All other items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.
- (iii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- (iv) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.
- (v) Depreciation methods, estimated useful lives and residual value
  - (a) Fixed assets are stated at cost less accumulated depreciation.
  - (b) Depreciation is provided on a pro rata basis on the written down method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed at least at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.
  - (c) Leasehold Land is depreciated over the period of the Lease.
- (vi) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.
- (vii) The residual values are not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

**(J) Investment Property**

Property that is held for return purpose or Capital appreciation and which is not occupied by the Company, is classified as Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property, Plant and Equipment.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties recognised as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

**(K) Intangible assets**

On transition to Ind AS, The Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the intangible assets.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

- (i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.
- (ii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented for use. The same is amortised over a period of 3 years on straight-line method.

### (L) Leases

#### (i) As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### (ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

### (M) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade discount, taxes and amounts collected on behalf of third parties. The Company recognises revenue as under:

#### (I) Sales

##### (i) The Company recognizes revenue from sale of goods when:

- (a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods.
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.
- (c) The amount of revenue can be reliably measured.
- (d) It is probable that future economic benefits associated with the transaction will flow to the Company.
- (e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.
- (f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

#### (II) Other Income

##### (i) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**(ii) Dividends**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

**(iii) Income from Annual maintenance contract services:**

- (a) The amount of revenue can be measured reliably.
- (b) It is probable that future economic benefits associated with the transaction will flow to the Company.
- (c) The stage of completion of the transaction at the end of the reporting period can be measured reliably.
- (d) The cost incurred for transaction and the cost to complete the transaction can be measured reliably.

**(N) Employee Benefit**
**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(ii) Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(iii) Post-employment obligations**

The group operates the following post-employment schemes:

**(a) Defined benefit gratuity plan:**

Gratuity and Leave encashment which are defined benefits are accrued based on actuarial valuation working provided by Independent actuary.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as per the report on independent actuary. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### (b) Defined Contribution plan:

Contribution payable to recognised provident fund which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

### (O) Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

### (P) Borrowing Cost

- (i) Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.
- (ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### (Q) Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

#### (ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### (R) Impairment of Assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### (S) Provisions, contingent liabilities and contingent assets

#### (i) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

#### (ii) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

#### (iii) Contingent Assets: Contingent Assets are disclosed, where an inflow of economic benefits is probable.

### (T) Investments

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss.

### (U) Trade receivables

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

### (V) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

### (W) Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

### (X) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees Lacs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

## 3 PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP FOR THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018
<b>Property, Plant and Equipment</b>								
Office Premises	3.50	-	-	3.50	0.15	0.15	-	3.20
Laboratory Equipment	0.01	-	-	0.01	-	-	-	0.01
Office Equipment	4.56	0.32	-	4.88	1.24	1.38	-	2.26
Furniture & Fixture	5.66	0.16	-	5.82	1.51	1.14	-	3.17
Computers	8.76	10.01	-	18.77	4.06	5.65	-	9.06
Vehicles	34.41	-	-	34.41	10.93	7.45	-	16.03
<b>Total</b>	<b>56.90</b>	<b>10.49</b>	-	<b>67.39</b>	<b>17.89</b>	<b>15.77</b>	-	<b>33.73</b>

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT
	AS AT 01.04.2016 (Refer Note No 3.1)	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	UP TO 01.04.2016	DEP FOR THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2017
<b>Property, Plant and Equipment</b>								
Office Premises	3.50	-	-	3.50	-	0.15	-	3.35
Laboratory Equipment	0.01	-	-	0.01	-	-	-	0.01
Office Equipment	1.83	2.75	0.01	4.57	-	1.25	0.01	3.33
Furniture & Fixture	5.66	-	-	5.66	-	1.51	-	4.15
Computers	7.24	1.59	0.08	8.75	-	4.09	0.03	4.69
Vehicles	34.41	-	-	34.41	-	10.93	-	23.48
<b>Total</b>	<b>52.65</b>	<b>4.34</b>	<b>0.09</b>	<b>56.90</b>	-	<b>17.93</b>	<b>0.04</b>	<b>39.01</b>

**Note No. 3.1:** Deemed cost as at April 1, 2016 which is the net carrying amount on April 1, 2016 which is tabulated as follows:

PARTICULARS	Gross carrying amount as at April 01, 2016	Reclassified as Investment property	Accumulated Depreciation	Net carrying amount
Office Premises	369.23	356.26	9.46	3.50
Laboratory Equipment	0.23	-	0.22	0.01
Office Equipment	11.78	-	9.95	1.83
Furniture & Fixture	16.68	-	11.02	5.66
Computers	64.36	-	57.12	7.24
Vehicles	87.31	-	52.90	34.41
<b>Total</b>	<b>549.59</b>	<b>356.26</b>	<b>140.67</b>	<b>52.65</b>

**4 INVESTMENT PROPERTY**

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT AS AT 31.03.2018
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	DEDUCTION DURING THE YEAR	
	170.80	-	-	170.80	8.56	8.12	-	154.12
<b>Total</b>	<b>170.80</b>	<b>-</b>	<b>-</b>	<b>170.80</b>	<b>8.56</b>	<b>8.12</b>	<b>-</b>	<b>154.12</b>

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION			NET CARRYING AMOUNT AS AT 31.03.2017
	AS AT 01.04.2016 (Refer Note 4.1)	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	UP TO 01.04.2016	DEP. FOR THE YEAR	DEDUCTION DURING THE YEAR	
	170.80	-	-	170.80	-	8.56	-	162.24
<b>Total</b>	<b>170.80</b>	<b>-</b>	<b>-</b>	<b>170.80</b>	<b>-</b>	<b>8.56</b>	<b>-</b>	<b>162.24</b>

**Note No. 4.1:** Deemed cost as at April 1, 2016 which is the net carrying amount on April 1, 2016 which is tabulated as follows:

PARTICULARS	Gross carrying amount	Accumulated depreciations	Net carrying amount classified as Investment property
Office Premises	as at April 01, 2016 356.26	185.46	170.80
<b>Total</b>	<b>356.26</b>	<b>185.46</b>	<b>170.80</b>

Amount recognised in profit or loss for Investment Properties

Particulars	March 31 <sup>st</sup> , 2018	March 31 <sup>st</sup> , 2017
Rental Income	42.00	42.00
Direct operating expenses from property that did generate rental income.	9.26	9.83

There are no restrictions on the realisability of investment property.

The company is using same life for the same class of asset as applicable for property plant and equipment.

The company has let out the property.

Fair Value

Investment property - Office Premises, the market value has not been ascertained.

The range of estimates within which fair value is highly likely to lie- Between Rs. 799.68

## 5 OTHER INTANGIBLE ASSETS

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT
	AS AT 01.04.2017	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2018	UP TO 01.04.2017	DEP. FOR THE YEAR	AS AT 31.03.2018
<u>Other Intangible Assets</u>							
Computer Software	10.29	-	-	10.29	3.81	3.57	7.38
<b>Total</b>	<b>10.29</b>	<b>-</b>	<b>-</b>	<b>10.29</b>	<b>3.81</b>	<b>3.57</b>	<b>7.38</b>

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT
	AS AT 01.04.2016 (Refer Note No 5.1)	PURCHASE DURING THE YEAR	DEDUCTION DURING THE YEAR	AS AT 31.03.2017	UP TO 01.04.2016	DEP. FOR THE YEAR	AS AT 31.03.2017
<u>Other Intangible Assets</u>							
Computer Software	7.95	2.34	-	10.29	-	3.81	6.48
<b>Total</b>	<b>7.95</b>	<b>2.34</b>	<b>-</b>	<b>10.29</b>	<b>-</b>	<b>3.81</b>	<b>6.48</b>

**Note No. 5.1:** Deemed cost as at April 1, 2016 which is the net carrying amount on April 1, 2016 which is tabulated as follows:

PARTICULARS	Gross carrying amount	Reclassified as Investment property	Accumulated Depreciation	Net carrying amount
<u>Other Intangible Assets</u>	as at April 01, 2016			
Computer Software	10.44	-	2.49	7.95
<b>Total</b>	<b>10.44</b>	<b>-</b>	<b>2.49</b>	<b>7.95</b>

**Notes:**

- (a) The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e. April 1, 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e. April 1, 2016.
- (b) The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

(All Amounts in INR Lakhs, unless otherwise stated)

## 6 NON CURRENT INVESTMENT

Particulars	Face Value	Qty	As at March 31, 2018	Qty	As at March 31, 2017	Qty	As at April 1, 2016
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### Quoted

#### In Equity Instruments (AT FVOCI)

VXL Instrument Ltd.	10	900,000	78.57	900,000	72.63	900,000	127.80
Cerebra Integrated Tech. Ltd.	10	40,450	22.41	40,450	15.74	40,450	6.43
Total Value of Quoted Investments (A)			<u>100.98</u>		<u>88.37</u>		<u>134.23</u>

### Unquoted

#### In Equity Instruments

#### **Trade Investments**

Gaurav Electrochem Private Ltd.	100	-	-	-	-	500	1.00
Total Value of Unquoted Investments (B)			<u>-</u>		<u>-</u>		<u>1.00</u>

#### **Total Value of Long**

<b>Term Investments (A+B)</b>			<u>100.98</u>		<u>88.37</u>		<u>135.23</u>
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## 7 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security Deposits	47.52	6.36	1.89
Loan and Advances to Employees	5.92	5.93	6.70
	<u>53.44</u>	<u>12.29</u>	<u>8.59</u>

## 8 DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Deferred tax liabilities (Net)</u>	47.16	54.85	67.46
(Refer Note 8.1)	<u>47.16</u>	<u>54.85</u>	<u>67.46</u>



## Note No. : 8.1

Particulars	Net balance as at 1 April 2017	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31 March 2018
<b>Deferred Tax Assets/(Liabilities)</b>				
Property, plant and equipment/ Investment Property/Other Intangible Assets	15.71	2.20	-	<b>13.51</b>
Fair Value through Profit & Loss	0.02	0.02	-	-
Expenses allowable under income tax on payment basis	39.12	3.58	-	<b>35.54</b>
Reclassification of remeasurement of employee benefits transfer to P&L	1.44	(1.96)	-	<b>3.40</b>
Equity Instruments designated at FVOCI	-	-	(1.89)	<b>(1.89)</b>
Reclassification of remeasurement of employee benefits through OCI	(1.44)	-	(1.96)	<b>(3.40)</b>
	<b>54.85</b>	<b>3.84</b>	<b>(3.85)</b>	<b>47.16</b>

Particulars	Net balance as at 1 April 2016	Recognised in statement of profit and loss	Recognised in OCI	Net balance as at 31 March 2017
<b>Deferred Tax Assets / (Liabilities)</b>				
Property, plant and equipment/ Investment Property/Other Intangible Assets	17.12	1.41	-	<b>15.71</b>
Fair Value through P&L	0.06	0.04	-	<b>0.02</b>
Expenses allowable under income tax on payment basis	37.09	(2.03)	-	<b>39.12</b>
Reclassification of remeasurement of employee benefits transfer to P&L	(1.36)	(2.80)	-	<b>1.44</b>
Reclassification of remeasurement of employee benefits through OCI	1.36	-	(2.80)	<b>(1.44)</b>
Provision for warranty	1.56	1.56	-	-
Allowance for Bad & Doubtful Debts	11.63	11.63	-	-
	<b>67.46</b>	<b>9.81</b>	<b>(2.80)</b>	<b>54.85</b>

**Income tax**

The major components of income tax expense for the year ended 31 March, 2018

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
<b>Profit and Loss:</b>		
Current tax – net of reversal of earlier years : Rs.Nil (Including 31 March 2017: Rs.1.54)	30.43	1.55
Deferred Tax	3.84	9.81
	<b>34.27</b>	<b>11.36</b>

**Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Profit before income tax expense	83.11	(180.22)
Tax at the Indian tax rate 30.90% 31 March 2017: Nil)	25.68	-
<b>Add: Items giving rise to difference in tax</b>		
Permanent difference	11.10	-
Temporary difference	(6.96)	-
Others	4.45	11.36
Income Tax Expenses	<b>34.27</b>	<b>11.36</b>

**9 OTHER TAX ASSETS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Tax	66.79	60.68	39.23
	<b>66.79</b>	<b>60.68</b>	<b>39.23</b>

**10 OTHER NON CURRENT ASSETS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance recoverable in cash or kind or for value to be received	-	0.01	0.24
	<b>-</b>	<b>0.01</b>	<b>0.24</b>

**11 INVENTORIES**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Stock - In - Trade</u>			
Electronics	86.80	161.36	193.82
Chemicals	-	11.00	-
	<b>86.80</b>	<b>172.36</b>	<b>193.82</b>

**12 TRADE RECEIVABLES**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured)			
Considered good (Refer Note No.12.1 )	7,859.22	4,526.86	5,122.19
Considered Doubtful	-	-	5.32
Less: Allowance for Expected Credit Loss (Refer Note No.12.1 )	- 7,859.22	- 4,526.86	(5.32) 5,122.19
	<u>7,859.22</u>	<u>4,526.86</u>	<u>5,122.19</u>

**Note No 12.1****Movement in the allowance of expected credit loss**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance at the beginning of the year	-	5.32	5.32
Less: Amounts written off during the year (net)	-	(5.32)	-
Balance at end of the year	-	-	<u>5.32</u>

The average credit period ranges from 30 to 150 days for Sales. No interest is charged. The Company has a policy of providing trade receivable outstanding above 2 years.

**13 CASH & CASH EQUIVALENTS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Balance With Banks</u>			
- on current account	138.16	138.13	364.88
Cash on Hand	<u>0.50</u>	<u>0.57</u>	<u>0.74</u>
	<u>138.66</u>	<u>138.70</u>	<u>365.62</u>

**14 OTHER BANK BALANCES**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unpaid Dividend account (Refer Note No. 14.1 )	7.40	6.70	5.69
Margin money deposits (Refer Note No.14.2 )	200.56	200.89	201.73
	<u>207.96</u>	<u>207.59</u>	<u>207.42</u>

**Note No. 14.1**

The balances can be utilised only towards settlement of the unpaid dividend.

**Note No. 14.2**

Margin money deposits amounting to Rs. 200.56 (Previous year Rs. 200.89 and 1 April 2016 Rs. 201.73) are lying with bank against Bank Guarantees and Letter of Credit.

**15 OTHER FINANCIAL ASSETS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Loans &amp; Advances from relative parties</u>			
Deposit ( Refer Note No.15.1)	-	-	40.00
<u>Others</u>			
Security Deposits	4.20	44.26	40.86
Loans and Advances to Employees	4.38	5.04	6.50
Interest Receivable	1.37	1.56	1.72
	<b>9.95</b>	<b>50.86</b>	<b>89.08</b>

**Note No. 15.1**

Deposit			
Company in which directors are interested	-	-	40.00
	-	-	<b>40.00</b>

**16 OTHER CURRENT ASSETS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Recoverable in Cash or Kind or for Value to be Received	19.74	25.86	22.34
Advance to supplier (Refer Note No. 16.1 )	-	276.57	1.66
Balance with Govt. Authorities (Refer Note 16.2)	327.73	305.87	300.38
Export Incentive Receivable	0.38	1.50	7.85
	<b>347.85</b>	<b>609.80</b>	<b>332.23</b>

**Note No.16.1**

<u>Advance to supplier</u>			
Company in which directors are interested	-	275.59	-
	-	<b>275.59</b>	-

**Note No.16.2**

<u>Deposit included under Protest</u>			
Custom Duty	300.00	300.00	300.00
	<b>300.00</b>	<b>300.00</b>	<b>300.00</b>

**17 EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Authorized Share Capital</b>			
6,500,000 Equity shares, Rs. 10 /- each (31st March,2017 : 65,00,000 Equity shares, Rs. 10 /- each, 1st April 2016: 65,00,000 Equity shares Re. 10/- each)	650.00	650.00	650.00

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1,000,000 Unclassified Shares Of Rs. 10/- each (31st March, 2017 : 10,00,000 Equity shares, Rs. 10 /- each, 1st April 2016: 10,00,000 Equity shares Re. 10/- each)	100.00	100.00	100.00
	<b>750.00</b>	<b>750.00</b>	<b>750.00</b>

#### Issued, Subscribed and Fully Paid Up Shares

3,002,300 Equity shares, Rs. 10 /- par value (31st March, 2017 : 30,02,300 Equity shares, Rs. 10 /- each, 1st April 2016: 30,02,300 Equity shares Re. 10/- each)	300.23	300.23	300.23
	<b>300.23</b>	<b>300.23</b>	<b>300.23</b>

#### Note No. 17.1

The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2018 :

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Number of shares at the beginning	30,02,300	300.23	30,02,300	300.23	30,02,300	300.23
Add: Shares issued during the year	-	-	-	-	-	-
Less : Shares Bought back (if any)	-	-	-	-	-	-
<b>Number of shares at the end</b>	<b>30,02,300</b>	<b>300.23</b>	<b>30,02,300</b>	<b>300.23</b>	<b>30,02,300</b>	<b>300.23</b>

#### Note No. 17.2

##### Terms/rights attached to Equity Shares

- (A) The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- (B) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### Note No. 17.3

The details of shareholders holding more than 5% shares in the company :

Name of the shareholders	No. of shares held	% held as at March 31, 2018	No. of shares held	% held as at March 31, 2017	No. of shares held	% held as at April 1, 2016
Arun Kumar Bhuwania	571,210	19.03	571,210	19.03	571,210	19.03
Saroj Bhuwania	541,750	18.04	541,750	18.04	541,750	18.04
Ashish Bhuwania	280,200	9.33	280,200	9.33	280,200	9.33

Name of the shareholders	No. of shares held	% held as at March 31, 2018	No. of shares held	% held as at March 31, 2017	No. of shares held	% held as at April 1, 2016
Priya International Limited	275,800	9.19	275,800	9.19	275,800	9.19
Aditya Bhuwania	260,300	8.67	260,300	8.67	260,300	8.67
Shruti Bhuwania	167,600	5.58	167,600	5.58	167,600	5.58

**Note No. 17.4**
**Dividend on equity shares**

The Board of Directors have recommended a dividend as under :

Year	Dividend paid per share
2017-18	1.00 (Proposed)
2016-17	1.00
2015-16	1.00

**18 OTHER EQUITY**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Reserves & surplus *			
Securities Premium Reserve #	400.92	400.92	400.92
General Reserve ##	1,568.77	1,568.77	1,568.77
Retained earnings ###	878.61	865.90	1,093.60
<u>Other Comprehensive Income (OCI)</u>			
-Remeasurement of net defined benefit plans	9.67	3.21	(2.75)
-Fair Value of Equity Investments through OCI	(201.41)	(212.13)	(225.26)
	<b>2,656.56</b>	<b>2,626.67</b>	<b>2,835.28</b>

\* For movement, refer statement of change in equity.

**# Securities Premium Reserve**

The amount received in excess of the par value of Equity shares issued have been classified as securities premium. In accordance with the provision of Section 52 of Indian Companies Act, 2013, the securities premium account can only be utilised for the purposes of issue bonus shares, repurchasing the Company's shares, redemption of preference shares and debentures, and offsetting direct issue costs and discount allowed for the issue of shares or debentures.

**## General reserve**

General reserve forms part of the retained earning and is permitted to be distributed to shareholders as part of dividend and is created out of transfer from retained earnings.

**### Retained earnings**

Retained earnings includes the Company's cumulative earning and losses respectively.

**19 PROVISIONS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Provisions for Employee Benefits (Unfunded)</u>			
Gratuity ( Refer Note No.37 )	85.36	77.44	64.48
Leave Encashment ( Refer Note No.37 )	13.37	13.13	15.11
<u>Others</u>			
Warranty ( Refer Note No. 42)	-	-	4.20
	<b>98.73</b>	<b>90.57</b>	<b>83.79</b>

**20 BORROWINGS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Secured Loans</b>			
<u>From banks</u>			
Working Capital loan from banks ( Refer Note No.20.1)	2,110.78	1,138.86	1,475.10
<u>Unsecured loans from related parties</u>			
Loan from Directors	167.00	-	-
<u>Unsecured loans from Others</u>			
Inter Corporate Deposit	100.00	-	-
	<b>2,377.78</b>	<b>1,138.86</b>	<b>1,475.10</b>

**Note No. 20.1**

Secured against hypothecation of Goods & Book Debts, Equitable mortgage on specific immovable properties of the company & related parties, hypothecation of other Movable Assets of the company, personal guarantee of some directors of the company and corporate guarantee for the balance outstanding at the year end and Pledge of shares of the company by the Promoters.

**21 TRADE PAYABLES**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Current</b>			
Dues of micro and small enterprises (Refer Note No 21.1)	-	-	-
Dues other than micro and small enterprises (Refer Note No 21.1)	3,614.63	1,918.70	2,041.50
	<b>3,614.63</b>	<b>1,918.70</b>	<b>2,041.50</b>

**Note No. 21.1**

The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act, have not been given.



**22 OTHER FINANCIAL LIABILITIES**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current Maturities of Long Term Debt (Refer Note No 22.1)	-	-	9.52
Interest Accrued but not due	0.11	-	0.02
Securities Deposits (Refer Note No 22.2)	3.50	3.50	3.50
Book Overdraft	-	3.14	-
Unpaid Dividends	7.40	6.70	5.69
	<b>11.01</b>	<b>13.34</b>	<b>18.73</b>

**Note No 22.1**

1. Secured by hypothecation of Vehicle.
2. The above vehicle Loan was originally payable in 36 Installments and no default in repayment of Principal & Interest has been made by company as on Balance Sheet date. The rate of interest ranges between 1.99 % to 10.51 %.

**Note No 22.2**

Other Liabilities due by directors or other officers, etc.

Rental Deposits - Company in which directors are interested

	3.50	3.50	3.50
	<b>3.50</b>	<b>3.50</b>	<b>3.50</b>

**23 OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances From Customers	0.05	5.99	1.80
Statutory Dues Payable	8.18	12.68	13.73
	<b>8.23</b>	<b>18.67</b>	<b>15.53</b>

**24 PROVISIONS**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Provisions for Employee Benefits (Unfunded)</u>			
For Gratuity (Refer Note No 37)	17.90	17.78	16.63
For Leave Salary (Refer Note No 37)	5.95	5.27	5.20
<u>Others</u>			
Warranty (Refer Note No 42)	-	-	0.52
	<b>23.85</b>	<b>23.05</b>	<b>22.35</b>

**25 CURRENT TAX LIABILITY (NET)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<u>Other</u>			
Provision for Tax (Net off advance tax)	18.55	-	-
	<b>18.55</b>	<b>-</b>	<b>-</b>

**26 CONTINGENT LIABILITIES & COMMITMENTS****(A) CONTINGENT LIABILITIES:**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Disputed Income Tax Liability	28.90	40.35	31.95
Disputed Sales Tax Liabilities	-	-	6.24
Disputed Customs Duties	310.25	310.25	-
	<b>339.15</b>	<b>350.60</b>	<b>38.19</b>
<b>(B) COMMITMENTS</b>	-	-	-

**27 REVENUE FROM OPERATIONS**

Particulars	2017-2018	2016-2017
Sale of Products	9,122.10	7,477.05
Sale of Services	33.58	63.65
<u>Other Operating Revenue</u>		
Export Incentives	5.58	5.20
	<b>9,161.26</b>	<b>7,545.90</b>

**28 OTHER INCOME**

Particulars	2017-2018	2016-2017
Interest Income from Bank	11.38	15.02
Unwinding of interest on deposits	1.11	2.90
Interest - others	2.21	0.91
Rent Income	42.00	42.00
Miscellaneous Income	0.26	0.07
	<b>56.96</b>	<b>60.90</b>

**29 PURCHASES OF STOCK IN TRADE**

Particulars	2017-2018	2016-2017
Traded Goods **	8,209.23	6,850.07
	<b>8,209.23</b>	<b>6,850.07</b>

\*\* Includes expenses like customs duty, freight etc. amounting to Rs. 46.53 (Previous year Rs. 73.14)

**30 CHANGES IN INVENTORIES OF STOCK IN TRADE**

Particulars	2017-2018	2016-2017
<b><u>Stock In Trade - Electronics</u></b>		
Inventory at the beginning of the year	161.35	193.82
Inventory at the end of the year	86.79	161.36
Stock In Traded Goods - Electronics	<b>74.56</b>	<b>32.46</b>
<b><u>Stock In Trade - Chemicals</u></b>		
Inventory at the beginning of the year	11.00	-
Inventory at the end of the year	-	11.00
Stock In Traded Goods - Chemicals	<b>11.00</b>	<b>(11.00)</b>
<b>Total Stock In Traded Goods</b>	<b>85.56</b>	<b>21.46</b>

**31 EMPLOYEE BENEFIT EXPENSES**

Particulars	2017-2018	2016-2017
Salaries, Wages and Bonus	313.71	285.60
Contribution to Provident and other fund	16.55	16.10
Staff Welfare Expenses	13.91	13.75
	<b>344.17</b>	<b>315.45</b>

**32 FINANCE COSTS**

Particulars	2017-2018	2016-2017
Interest on Bill Discountings	77.79	78.75
Interest on Income Tax	-	0.01
Interest on Inter Corporate Deposits	0.11	-
<u>Other Borrowing Cost</u>		
Other Financial Charges	7.97	28.13
	<b>85.87</b>	<b>106.89</b>

**33 DEPRECIATION & AMORTIZATION EXPENSES**

Particulars	2017-2018	2016-2017
Depreciation on Property, Plant and Equipment	15.77	17.93
Depreciation on Investment Property	8.12	8.56
Amortisation on Intangible Assets	3.57	3.81
	<b>27.46</b>	<b>30.30</b>

**34 OTHER EXPENSES**

Particulars	2017-2018	2016-2017
Rent	62.13	63.04
Warehousing/ Demurrages Charges	12.56	5.84
Insurance and ECGC Premium	23.65	16.77
Rates and Taxes	6.85	8.41
Payment to Statutory Auditors (Refer Note No. 34.1)	5.70	12.98
Legal & Professional Fees	42.58	51.73
Advertisement, Publicity & Sales Promotion	10.85	10.80
Commission & Brokerage	4.85	3.28
Directors Sitting Fees	2.75	3.80
<u>Repairs &amp; Maintenance</u>		
Building	6.09	6.58
Others	4.11	6.39
Freight & Forwarding cost	20.66	16.87
Travelling & Conveyance	33.39	51.55
Electricity Charges	8.79	10.47
Bank Charges	57.98	61.04
Bad Debts	-	5.33
Less: Allowance for Bad and doubtful debts written back	-	5.32
		0.01

Particulars	2017-2018	2016-2017
Loss on Exchange Rate Fluctuation	24.95	50.74
Trade Advances written off	-	29.86
Less : Allowance for Bad and doubtful debts	-	-
Advances written back	-	29.86
Loss On Assets written off	-	0.05
Miscellaneous Expenses	54.93	82.50
	<b>382.82</b>	<b>462.85</b>

**Note No. 34.1**

Particulars	2017-2018	2016-2017
<u>As auditor :</u>		
Audit Fee	4.50	4.50
Tax Audit Fee	-	1.50
Limited review	1.20	1.20
Vat Audit Fee	-	0.40
Service Tax	-	1.14
	5.70	8.74
<u>In other capacity :</u>		
Taxation Matters	-	0.53
Company Law Matter	-	0.25
Other Services	-	2.90
Service Tax	-	0.56
	5.70	4.24
	<b>5.70</b>	<b>12.98</b>

**35 EARNING PER SHARE**

Particulars	2017-2018	2016-2017
(A) Profit attributable to Equity Shareholders	48.84	-191.58
(B) Weighted Average No. of Equity Share outstanding during the year	30.02	30.02
(C) Face Value of each Equity Share ( Rs.)	10	10
(D) Basic earning per Share ( Rs.)	1.63	(6.38)
(E) Diluted earning per Share ( Rs.)	1.63	(6.38)

**36 Capital Management :**

Since there are no borrowings cap gearing ratio is not applicable.

**37 Employee Benefits :**

The Company's defined benefit plan includes Gratuity/ Leave Encashment. The liability in respect of Gratuity/ Leave Encashment has been determined using Projected Unit Credit Method by an independent actuary. The company's defined contribution plan includes Provident Fund. The related disclosure are as under:

- A. Contribution to Defined Contribution Plan includes Provident Fund. The expenses recognised for the year are as under :

Particulars	2017-18	2016-17
Provident Fund	14.16	13.72

**B. Defined Benefit Plans :**
**(a) Gratuity:**

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 to 30 days/26 based on one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

**(b) Leave encashment:**

The Company has a policy on compensated absences which is applicable to its executives jointed upto a specified period and all workers. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid as a result of the unused entitlement that has accumulated at the Balance Sheet date.

The plans of the Company exposes to actuarial risks such as Investment Risk, Interest rate risk, salary risk and longevity risk. These risks may impact the obligation of the Company

**(c) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March 2018 and 31 March 2017.**

Particulars		2017-18		2016-17	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Rs.	Rs.	Rs.	Rs.
<b>(i) Changes in present value of obligations</b>					
PVO at beginning of period		95.21	18.41	81.10	20.31
Interest cost		6.77	1.31	6.42	1.60
Current Service Cost		14.76	5.61	10.19	5.07
Past Service Cost-(non vested benefits)		-	-	-	-
Past Service Cost-(vested benefits)		-	-	-	-
Benefits Paid		(9.40)	(1.68)	(1.69)	(0.63)
Contributions by plan participants		-	-	-	-
Business Combinations		-	-	-	-
Curtailments		-	-	-	-
Settlements		-	-	-	-
Actuarial (gain)/loss on obligation		(4.08)	(4.34)	(0.81)	(7.94)
PVO at end of period		103.26	19.31	95.21	18.41
<b>(ii) Interest Expenses</b>					
Interest cost		6.77	1.31	6.42	1.60
<b>(iii) Fair value of Plan Assets</b>					
Fair Value of Plan assets at beginning of period		-	-	-	-
Interest Income		-	-	-	-

Particulars		2017-18		2016-17	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Rs.	Rs.	Rs.	Rs.
(iv)	<b>Net Liability</b>				
	PVO at beginning of period	95.21	18.41	81.10	20.31
	Fair Value of Plan assets at beginning of period	-	-	-	-
	Net Liability	95.21	18.41	81.10	20.31
(v)	<b>Net Interest</b>				
	Interest Expenses	6.77	1.31	6.42	1.60
	Interest Income	-	-	-	-
	Net Interest	6.77	1.31	6.42	1.60
(vi)	<b>Actual return on plan assets</b>				
	Less Interest income included above	-	-	-	-
	Return on plan assets excluding interest income	-	-	-	-
(vii)	<b>Actuarial Gain / (Loss) Obligation</b>				
	Due to Demographic Assumption *	-	-	-	-
	Due to Financial Assumption	(0.81)	(0.15)	2.09	0.62
	Due to Experience	(3.27)	(4.19)	(2.90)	(8.57)
	Total Actuarial Gain / (Loss)	(4.08)	(4.34)	(0.81)	(7.94)
	* This figure does not reflect inter relationship between demographic assumption and financial assumption when a limit is applied on the benefit, the effect will be shown as an experience.				
(viii)	<b>Fair value of Plan Assets</b>				
	Opening Fair Value of Plan Assets	-	-	-	-
	Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
	Return on Plan Assets excl. interest income	-	-	-	-
	Interest Income	-	-	-	-
	Contribution by Employer	9.40	1.68	1.69	0.63
	Contribution by Employee	-	-	-	-
	Benefit Paid	(9.40)	(1.68)	(1.69)	(0.63)
	Fair Value of Plan Assets at end	-	-	-	-
(ix)	<b>Past Service Cost Recognised</b>				
	Past Service Cost-(non vested benefits)	-	-	-	-
	Past Service Cost-(vested benefits)	-	-	-	-
	Average remaining future services till vesting of the benefit	-	-	-	-

Particulars		2017-18		2016-17	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Rs.	Rs.	Rs.	Rs.
	Recognised Past Service Cost-(non vested benefits)	-	-	-	-
	Recognised Past Service Cost-(vested benefits)	-	-	-	-
	Unrecognised Past Service Cost-(non vested benefits)	-	-	-	-
<b>(x)</b>	<b>Amounts to be recognized in the Balance Sheet and statement of Profit &amp; Loss</b>				
	PVO at end of period	103.26	19.31	95.21	18.41
	Fair Value of Plan assets at end of period	-	-	-	-
	Funded Status	(103.26)	(19.31)	(95.21)	(18.41)
	Net Asset / (Liability) recognized in the Balance Sheet	(103.26)	(19.31)	(95.21)	(18.41)
<b>(xi)</b>	<b>Expenses recognized the the statement of Profit &amp; Loss</b>				
	Current Service Cost	14.76	5.61	10.19	5.07
	Net Interest	6.77	1.31	6.42	1.60
	Past Service Cost-(non vested benefits)	-	-	-	-
	Past Service Cost-(vested benefits)	-	-	-	-
	Curtailments	-	-	-	-
	Settlements	-	-	-	-
	Actuarial (Gain) / Loss recognized for the period	-	(4.34)	-	(7.94)
	Expense recognized in the statement of Profit & Loss	21.53	2.58	16.61	(1.27)
<b>(xii)</b>	<b>Other Comprehensive Income (OCI)</b>				
	Actuarial (Gain) / Loss recognized for the period	(4.08)	-	(0.81)	-
	Assets limit effect	-	-	-	-
	Return on Plan Assets excluding net interest	-	-	-	-
	Unrecognised Actuarial (Gain) / Loss from prevoius period	-	-	-	-
	Total Actuarial (Gain) / Loss recognized in (OCI)	(4.08)	-	(0.81)	-



Particulars	2017-18		2016-17	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
	Rs.	Rs.	Rs.	Rs.
<b>(xiii) Movements in the Liability recognized in Balance Sheet</b>				
Opening Net Liability	95.21	18.41	81.10	20.31
Adjustment to opening balance	-	-	-	-
Expenses as above	21.53	2.58	16.61	(1.27)
Contribution paid	(9.40)	(1.68)	(1.69)	(0.63)
Other comprehensive Income(OCI)	(4.08)	-	(0.81)	-
Closing Net Liability	103.26	19.31	95.21	18.41
<b>(xiv) Schedule III of the Companies Act 2013</b>				
Current Liability (*)	17.90	5.94	17.78	5.28
Non-Current Liability	85.36	13.37	77.43	13.13

xii (*) March 2014 current liability based on Rev Schedule VI				
Valuation date.	31 March 2018	31 March 2018	31 March 2017	31 March 2017
<b>(xv) Projected Service cost 31st March, 2019</b>	14.05	6.06	-	-
<b>(xvi) Assets Information</b>				
Not Applicable as the plan is unfunded	-	-	-	-

<b>(xvii) Assumptions as at</b>				
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Interest / Discount Rate	7.60%	7.60%	7.48%	7.48%
Rate of increase in compensation	6.00%	6.00%	6.00%	6.00%
Annual increase in healthcare cost				
Future changes in maximum state healthcare benefits				
Expected average remaining service	10.54%	10.54%	10.46%	10.46%
Retirement age	58 Years	58 Years	58 Years	58 Years
Employee Attrition Rate	Up to Age 30 : 10%	Up to Age 30 : 10%	Up to Age 30 : 10%	Up to Age 30 : 10%
	Age 31 to 40 : 5%	Age 31 to 40 : 5%	Age 31 to 40 : 5%	Age 31 to 40 : 5%
	41 and above : 2%	41 and above : 2%	41 and above : 2%	41 and above : 2%

**(xviii) Sensitivity Analysis (Gratuity)**

	DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
PVO	96.92	110.43	110.37	96.87

**(xviii) Sensitivity Analysis (Leave Encashment)**

	DR: Discount Rate		ER: Salary Escalation Rate	
	PVO DR + 1%	PVO DR - 1%	PVO ER + 1%	PVO ER - 1%
PVO	18.16	20.63	20.61	18.16

**(xix) Expected Payout ( Gratuity )**

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
PVO payouts	17.90	6.58	20.92	14.18	13.93	77.56

**(xix) Expected Payout (Leave Encashment)**

Year	31 March 2019	31 March 2020	31 March 2021	31 March 2022	31 March 2023	31 March 2028
PVO payouts	5.94	5.83	6.77	7.94	7.22	10.04

**(xx) Assets Liability Comparisons ( Gratuity )**

Year	31 March 2014	31 March 2015	31 March 2016	31 March 2017	31 March 2018
PVO at end of period	58.07	77.02	81.10	95.21	103.26
Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(58.07)	(77.02)	(81.10)	(95.21)	(103.26)
Experience adjustmentson plan assets	-	-	-	-	-

**(xx) Assets Liability Comparisons ( Leave Encashment )**

Year	31 March 2014	31 March 2015	31 March 2016	31 March 2017	31 March 2018
PVO at end of period	15.59	21.34	20.31	18.41	19.31
Plan Assets	-	-	-	-	-
Surplus / (Deficit)	(15.59)	(21.34)	(20.31)	(18.41)	(19.31)
Experience adjustmentson plan assets	-	-	-	-	-

**(xxi) Narrations**
**1] Analysis of Defined Benefit Obligation**

The number of members under the ( Gratuity ) scheme have decreased by 4%. However, the total salary increased by 9.46% during the accounting period. Similarly, the resultant liability at the end of the period over the beginning of the period has increased by 8.46%

The number of members under the ( Leave Encashment ) scheme have decreased by 4%. However, the total salary increased by 9.46% during the accounting period. Similarly, the resultant liability at the end of the period over the beginning of the period has increased by 4.89%

**2] Expected rate of return basis**

Scheme is not funded EORA is not applicable.

**3] Description of Plan Assets and Reimbursement Conditions**

Not applicable.

**38 RELATED PARTY DISCLOSURE****A. Names of related parties and description of relationship:**

<b>Name of Party</b>	<b>Nature of Relationship</b>
Mr. A. K. Bhuwania	Chairman
Mr. Ashish Bhuwania	Director
Mr. Aditya Bhuwania	Director
Mrs. Saroj Bhuwania	Director
Mr. Rakesh Jain	Chief Financial Officer
Mr. Saishwar Dalvi	Company Secretary
Priya International Ltd.	Entities where individual having control/significant influence or key management personnel or their relatives are able to exercise significant influence
VXL Software Solutions Pvt .Ltd.	
Gaurav Electrochem Pvt. Ltd.	
Halifax Properties Investment Pvt. Ltd.	
Aurotech Technologies Dmcc	
Delta Technology Ltd.	
Brent Properties Investment Pvt. Ltd.	
Cheshire Properties Investment Pvt. Ltd.	

**B. Transactions that have taken place during the year with related parties by the Company**

<b>Name of Related Parties</b>	<b>Nature of Transaction during the year</b>	<b>2017-2018</b>	<b>2016-2017</b>
Priya International Ltd.	Reimbursement of Services/ Expenses incurred by Priya Ltd.	40.36	43.85
VXL Software Solutions Pvt. Ltd.	Reimbursement of Services/ Expenses incurred by company on behalf of VXL Software Solutions Pvt .Ltd.	-	0.22
	Purchase of Software/Electronics	2,042.39	7.84
	Sale of Software/Electronics	621.92	33.71
	Rent Income (Exclusive of Services Tax / G S T Rs.7.10 Previous year Rs.5.64 )	42.00	42.00
Gaurav Electrochem Pvt .Ltd.	Deposit received back	-	40.00
Aurotech Technologies Dmcc	Sale of Electronics	11.20	34.82
Delta Technology Ltd.	Sale of Electronics	536.89	747.92
Mr. Aditya Bhuwania	Directors Remuneration	30.00	30.00
Mr. Rakesh Jain	Short-term employee benefits	31.42	28.61

Name of Related Parties	Nature of Transaction during the year	2017-2018	2016-2017
Mr. Saishwar Dalvi	Short-term employee benefits	4.85	4.41
Mr. A. K. Bhuwania	Loan Taken During the year	50.00	-
Mr. Ashish Bhuwania	Loan Taken During the year	25.00	-
Mr. Aditya Bhuwania	Loan Taken During the year	5.00	-
Mrs. Saroj Bhuwania	Loan Taken During the year	87.00	-

Note : Post Employee benefis can not be ascertain as company from consolidated interest for such benefits.

C. Balance at the year end.

VXL Software Solutions Pvt. Ltd.	Deposit Received Outstanding at the year end	3.50	3.50
	Advance to suppliers	-	275.59
	Outstanding Receivable	617.48	-
	Outstanding Payable	1,101.14	-
Mr. A. K. Bhuwania	Loan Outstanding at the year end	50.00	-
Mr. Ashish Bhuwania	Loan Outstanding at the year end	25.00	-
Mr. Aditya Bhuwania	Loan Outstanding at the year end	5.00	-
Mrs. Saroj Bhuwania	Loan Outstanding at the year end	87.00	-
Priya International Ltd	Outstanding Receivable	-	11.00
Brent Properties Investments Pvt Ltd.	Corporate Guarantee given on our behalf	2,110.78	1,138.86
Cheshire Properties Investments Pvt Ltd.	Corporate Guarantee given on our behalf	2,110.78	1,138.86
Aurotech Technologies Dmcc	Outstanding Receivable	10.78	34.67
Delta Technology Ltd.	Outstanding Receivable	243.38	720.72

- 39 During the previous year, the details of Specified Bank Notes held and transacted during the demonetization period (8th November, 2016 to 30th December, 2016) as provided in the table below:

Particulars	Specified Bank Notes (SBNs)	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	0.30	0.76	1.05
(+) Permitted receipts	-	6.95	6.95
(-) Permitted payments	-	7.27	7.27
(-) Amount deposited in Banks	0.30	-	0.30
Closing cash in hand as on 30.12.2016	-	0.44	0.44

#### 40 SEGMENT REPORTING

##### Segment Information for the year ended 31st March, 2018

(All Amounts in INR Lakhs, unless otherwise stated)

##### (i) Information about primary business segment :

Particulars	31st March, 2018				31st March, 2017			
	Segments		Unallocated	Total	Segments		Unallocated	Total
	Electronics	Chemicals			Electronics	Chemicals		
<b>Revenue</b>								
External Customers	8,776.45	384.81	-	9,161.26	7,239.13	306.77	-	7,545.90
Inter-segment	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>8,776.45</b>	<b>384.81</b>	<b>-</b>	<b>9,161.26</b>	<b>7,239.13</b>	<b>306.77</b>	<b>-</b>	<b>7,545.90</b>
<b>Result</b>								
Segment Results	567.83	29.21	-	597.04	329.71	23.62	-	353.33
Unallocated expenses net of unallocated income	-	-	(428.06)	(428.06)	-	-	(426.66)	(426.66)
Other Income	-	-	-	-	-	-	-	-
Finance cost	-	-	(85.87)	(85.87)	-	-	(106.89)	(106.89)
Extra ordinary items	-	-	-	-	-	-	-	-
<b>Profit Before Tax</b>	<b>567.83</b>	<b>29.21</b>	<b>(513.93)</b>	<b>83.11</b>	<b>329.71</b>	<b>23.62</b>	<b>(533.55)</b>	<b>(180.22)</b>
Less: Provision for Tax (Net of Deferred Tax)	-	-	34.27	34.27	-	-	9.81	9.81
<b>Profit After Tax &amp; Before Prior Period Adjustments</b>	<b>567.83</b>	<b>29.21</b>	<b>(548.20)</b>	<b>48.84</b>	<b>329.71</b>	<b>23.62</b>	<b>(543.36)</b>	<b>(190.03)</b>
Excess/(Short) Provision for Income Tax	-	-	-	-	-	-	1.55	1.55
<b>Profit After Prior Period Adjustments</b>	<b>567.83</b>	<b>29.21</b>	<b>(548.20)</b>	<b>48.84</b>	<b>329.71</b>	<b>23.62</b>	<b>(544.91)</b>	<b>(191.58)</b>
<b>Other Information</b>								
Segment Assets	8,477.93	35.86	595.77	9,109.56	5,474.26	38.02	617.81	6,130.09
Segment Liabilities	5,626.19	101.76	424.83	6,152.78	3,021.24	54.82	127.12	3,203.18
Capital Expenditure	-	-	10.49	10.49	-	-	6.68	6.68

##### (ii) Information about secondary geographical business segment :

	2017-18			2016-17		
	Within India	Outside India	Total	Within India	Outside India	Total
Segment Revenue	4,872.61	4,288.65	9,161.26	3,809.46	3,736.44	7,545.90
Segment Assets	6,161.41	2,948.16	9,109.57	4,151.16	1,978.93	6,130.09
Capital Expenditure	10.49	-	10.49	6.68	-	6.68

Notes:-

- (i) The company is into two main business segments, namely;  
 Electronics - Computer peripherals and systems  
 Chemicals - Export of Textile Dyes and Intermediates  
 Segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns, the organisation structure, and the internal financial reporting systems.
- (ii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

**41 Derivatives:**

UNHEDGED: The year end Foreign Currency exposures that have not been hedged by a derivative instrument as outstanding are as under:

- a. Amount receivable in foreign currency on account of the following :

Particulars	Foreign Currency	As on 31.03.2018		As on 31.03.2017		As on 31.03.2016	
		Amount in	Amount in	Amount in	Amount in	Amount in	Amount in
		Rs.	Foreign Currency	Rs.	Foreign Currency	Rs.	Foreign Currency
Receivables	USD	837.38	12.89	1,071.93	16.54	1,236.78	18.66
	EURO	-	-	-	-	12.27	0.16

- b. Amount payable in foreign currency on account of the following :

Particulars	Foreign Currency	As on 31.03.2018		As on 31.03.2017		As on 31.03.2016	
		Amount in	Amount in	Amount in	Amount in	Amount in	Amount in
		Rs.	Foreign Currency	Rs.	Foreign Currency	Rs.	Foreign Currency
Payable	USD	654.03	10.04	201.09	3.10	641.83	9.67

**42 Provision for Warranties: The movement in the provision for warranties is as follows :-**

Provision Related to Years	Opening Balance	Additions	Utilisation	Reversal	Closing Balance
2017-18	-	-	-	-	-
2016-17	4.72	-	4.72	-	-
2015-16	4.51	1.86	1.64	-	4.72

The company gives warranties at time of sales of main products to the customers. Under the terms of Contract of Sales, the company undertakes to make good by replacement or repairs, Manufacturing defects that arise within 1-3 years from the date of sale. A provision has been recognised for the expected warranty claims on products sold based on past experience. The short term provision at the year end was Rs. Nil (31st March 2017: Rs. 0.52 and 1st April 2016: Rs. 0.81) and long term provision at the year end was Rs. Nil (31st March 2017: Rs. 4.20 and 1st April 2016: Rs. 3.70).

**43 Financial Risk Management**

The Company's activities expose it to credit risk, liquidity risk, market risk and price risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact thereof in the financial statements.

Sr. No.	Risk	Exposure arising from	Measurement	Management
1	Credit Risk	Cash and cash equivalents, trade receivables and financial assets.	Credit ratings, Review of aging analysis, Review of investment on quarterly basis.	Strict credit control and monitoring system, diversification of counterparties, Investment limits, check on counterparties basis credit rating and investment review on quarterly basis.

Sr. No.	Risk	Exposure arising from	Measurement	Management
2	Liquidity Risk	Trade payables and other financial liabilities.	Maturity analysis, cash flow projections.	Maintaining sufficient cash / cash equivalents and marketable security and focus on realisation of receivables.
3	Market Risk – Foreign Exchange	Import Payables and Receivables on Indenting services.	Foreign currency exposure review and sensitivity analysis.	The company is partly has natural hedge and is exploring to hedge its unhedged positions.

The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as credit risk, liquidity risk, and Foreign Exchange Risk effecting business operations. The company's risk management is carried out by the management as per guidelines and policies approved by the Board of Directors.

#### (A) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses the direct risk of default, risk of deterioration of creditworthiness as well as concentration risks. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks and loans given.

##### Credit Risk Management

The company's credit risk mainly from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuous monitoring the creditworthiness of customers to whom credit is extended in the normal course of business. The Company estimates the expected credit loss based on past data, available information on public domain and experience. Expected credit losses of financial assets receivable are estimated based on historical data of the Company. The company has provisioning policy for expected credit losses. There is no credit risk in bank deposits which are demand deposits. The credit risk is minimum in case of entity to whom loan has been given.

The maximum exposure to credit risk as at 31 March 2018, 31 March 2017 and 1 April 2016 is the carrying value of such trade receivables as shown in note 11 of the financials.

**The Credit Loss allowances are provided in the case of trade receivables as under:**

Loss allowance as on 1 April 2016	<b>5.32</b>
Change in loss allowance	-
Loss allowance as on 31 March 2017	<b>5.32</b>
Change in loss allowance	(5.32)
Loss allowance as on 31 March 2018	-

#### (B) Liquidity Risk

The Company's principal sources of liquidity are "cash and cash equivalents" and cash flows that are generated from operations. The Company does not have material term borrowings. The Company believes that its working capital is sufficient to meet its current requirements. Hence the Company does not perceive any liquidity risk.

#### (C) Market risk

##### Foreign currency risk

The Company significantly operates in domestic market. Though the company imports materials from overseas and has income from indenting commission from overseas. The company mostly has natural hedge and is exploring to have hedge its positions.



The Company's exposure to foreign currency risk which are unhedged at the end of the reporting period is as follows:

Particulars	EURO	USD
<b>31 March 2018</b>		
Trade receivables- Foreign Currency	-	12.89
Trade receivables- INR	-	837.38
Trade payables- Foreign Currency	-	10.04
Trade payables- INR	-	654.03
<b>31 March 2017</b>		
Trade receivables- Foreign Currency	-	16.54
Trade receivables- INR	-	1,071.93
Trade payables- Foreign Currency	-	3.10
Trade payables- INR	-	201.09
<b>31 March 2016</b>		
Trade receivables- Foreign Currency	0.16	18.66
Trade receivables- INR	12.27	1,236.78
Trade payables- Foreign Currency	-	9.67
Trade payables- INR	-	641.83

#### Sensitivity Analysis-

The Company is mainly exposed to changes in USD and Euro. The sensitivity analysis demonstrate a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. 5% appreciation/depreciation of USD and Euro with respect to functional currency of the company will have impact of following (decrease)/increase in Profit & vice versa.

Particulars	31 March 2018	31 March 2017	31 March 2016
Euro	-	-	0.61
USD	9.17	43.54	29.75
<b>Total</b>	<b>9.17</b>	<b>43.54</b>	<b>30.36</b>

#### 44 FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

##### Explanation 1 - Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

##### (I) Ind AS Optional exemptions

##### Deemed Cost - Property, Plant and Equipment, Capital work-in-progress and Intangible Assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost

as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, Capital work-in-progress and intangible assets at their previous GAAP carrying values.

## (II) Ind AS mandatory exemptions

### (i) Estimates

An entity's estimates in accordance with Ind AS' at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with the previous GAAP (after adjustments to reflect any difference in accounting policies) unless there is an objective evidence that those estimates were in error.

### (ii) Classification and measurement of financial assets (other than equity instruments)

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

### (iii) De-recognition of financial assets and financial liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions for Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows first time adopter to apply the derecognition requirements provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past Ind AS 101 retrospectively from the date of entity's choosing, transactions was obtained at the time of initially accounting for the transactions.

#### Effects of Ind AS adoption on Balance Sheet at 31st March, 2017 and 1st April, 2016:

Particulars	Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
		As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS	As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS
<b>Non - Current Assets</b>							
(a) Property, Plant and Equipment	i	201.25	(162.24)	39.01	223.45	(170.80)	52.65
(b) Investment Property	i	-	162.24	162.24	-	170.80	170.80
(c) Other Intangible Assets		6.48	-	6.48	7.95	-	7.95
(d) Financial assets							
(i) Investments	ii	359.49	(271.12)	88.37	360.49	(225.26)	135.23
(ii) Other non current financial assets	iii	13.61	(1.32)	12.29	12.81	(4.22)	8.59
(e) Deferred tax assets (net)	iii	54.83	0.02	54.85	67.39	0.07	67.46
(f) Other tax assets (Net)		60.68	-	60.68	39.24	(0.01)	39.23
(g) Other non - current assets		0.01	-	0.01	0.24	-	0.24
<b>Current Assets</b>							
(a) Inventories		172.35	-	172.35	193.82	-	193.82
(b) Financial assets			-			-	-
(i) Trade receivables		4,526.86	-	4,526.86	5,122.19	-	5,122.19
(ii) Cash and cash equivalents		138.70	-	138.70	365.62	-	365.62

Particulars	Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
		As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS	As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS
(iii) Bank balances other than (ii) above		207.59	-	207.59	207.42	-	207.42
(iv) Other current financial assets		50.87	(0.01)	50.86	89.08	-	89.08
(c) Other current assets	iii	608.54	1.26	609.80	328.19	4.04	332.23
<b>Total Assets</b>		<b>6,401.26</b>	<b>-271.17</b>	<b>6,130.09</b>	<b>7,017.89</b>	<b>-225.38</b>	<b>6,792.51</b>
<b>Equity</b>							
Equity Share Capital		300.23	-	300.23	300.23	-	300.23
Other equity	Refer Note below	2,897.84	(271.17)	2,626.67	3,024.53	(189.25)	2,835.28
<b>Liabilities</b>							
<b>Non Current Liabilities</b>							
(a) Provisions		90.57	-	90.57	83.79	-	83.79
<b>Current Liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings		1,138.86	-	1,138.86	1,475.10	-	1,475.10
(i) Trade payables		1,918.70	-	1,918.70	2,041.50	-	2,041.50
(iii) Other financial liabilities		13.35	(0.01)	13.34	18.72	0.01	18.73
(b) Other current liabilities		18.66	0.01	18.67	15.53	-	15.53
(c) Provisions	iv	23.05	-	23.05	58.49	(36.14)	22.35
<b>Total Equity and Liabilities</b>		<b>6,401.26</b>	<b>-271.17</b>	<b>6,130.09</b>	<b>7,017.89</b>	<b>-225.38</b>	<b>6,792.51</b>

**Statement of Reconciliation of Equity (Shareholders' funds) as at 31st March, 2017 and 1st April, 2016:**

Particulars	Note No.	As at 31st March, 2017	As at 1st April, 2016
<b>Total Equity (Shareholders' Fund) as per IGAAP</b>		<b>3,198.07</b>	<b>3,324.76</b>
<b><u>Adjustments on transition to Ind AS:</u></b>			
Fair valuation of investments	ii	(271.12)	(225.26)
Fair valuation of security deposits	iii	(0.07)	(0.18)
Proposed dividend (Including Dividend Distribution Tax)	iv	-	36.13
Tax effects of adjustments	iii	0.02	0.06
<b>Total adjustments</b>		<b>(271.17)</b>	<b>(189.25)</b>
<b>Total Equity (Shareholders' Fund) as per IND AS</b>		<b>2,926.90</b>	<b>3,135.51</b>

## Effects of Ind AS adoption on Statement of Profit &amp; Loss for the year ended 31st March, 2017

Particulars	Note No.	Year ended 31st March, 2017 (End of last period presented as per IGAAP)		
		As per IGAAP	Adjustments on transition to Ind	AS As per Ind AS
Revenue from operations		7,545.90	-	7,545.90
Other income	iii	58.00	2.90	60.90
<b>Total Revenue</b>		<b>7,603.90</b>	<b>2.90</b>	<b>7,606.80</b>
Purchases of Stock-in-Trade		6,850.07	-	6,850.07
Changes in inventories of Stock-in-Trade		21.46	-	21.46
Employee benefit expenses	v	306.69	8.76	315.45
Finance Costs		106.89	-	106.89
Depreciation & amortization expenses		30.30	-	30.30
Other Expenses	iii	460.07	2.78	462.85
<b>Total Expenses</b>		<b>7,775.48</b>	<b>11.54</b>	<b>7,787.02</b>
<b>Profit before exceptional items &amp; tax</b>		<b>(171.58)</b>	<b>(8.64)</b>	<b>(180.22)</b>
Exceptional Items	ii	59.00	(59.00)	-
<b>Profit before tax</b>		<b>(112.58)</b>	<b>(67.64)</b>	<b>(180.22)</b>
Less: Income Tax expenses				
-For earlier years		1.54	0.01	1.55
-Deferred Tax		12.57	(2.76)	9.81
<b>Profit for the period</b>		<b>(126.69)</b>	<b>(64.89)</b>	<b>(191.58)</b>
Other comprehensive income	Refer Note below	-	19.09	19.10
<b>Total comprehensive income</b>		<b>(126.69)</b>	<b>(45.80)</b>	<b>(172.48)</b>

## Statement of Reconciliation of total comprehensive income for the year ended 31st March, 2017

Particulars	Note No.	As at 31st March, 2017
<b>Net Profit after Tax previously presented under IGAAP</b>		(126.69)
Adjustments on transition to Ind AS		(64.88)
<b>Net Profit after Tax before OCI as per IND AS</b>		<b>(191.57)</b>
Fair valuation of investments	ii	13.13
Reclassification of remeasurement of employee benefits	v	8.76
Tax effects of adjustments		(2.80)
Total adjustments		19.09
<b>Total Equity (Shareholders' Fund) as per IND AS</b>		<b>(172.48)</b>

## Effects of Ind AS adoption on Cash Flow statement for the year ended 31st March, 2017

Particulars	Note No.	Year ended 31st March, 2017 (End of last period presented as per IGAAP)		
		As per IGAAP	Adjustments on transition to Ind AS	AS As per Ind AS
Cash flow from operations		163.31	-	163.31
Cash flow from Investing Activities		69.41	-	69.41
Cash flow from Financing Activities		(459.65)	-	(459.65)
<b>Net Increase/(decrease) in cash and cash equivalents</b>		<b>(226.93)</b>	<b>-</b>	<b>(226.93)</b>
Cash and cash equivalents at the beginning of the year		365.62	-	365.62
Cash and cash equivalents at the end of the year		138.70	-	138.70

**Note No.:**
**(i) Property, Plant and Equipment and Investment Property**

Under the previous GAAP, Investment Property, Building was grouped under Property Plant and Equipment. Under Ind AS, the same is treated as Investment property under Ind AS 41 at carrying cost under previous GAAP. There is no impact on the total equity and profit.

**(ii) Investments**

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI Equity investments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended 31 March 2017. This decreased other reserves by Rs. 271.13 as at 31 March 2017 (1 April 2016 - Rs. 225.26). Under the previous GAAP, profit on sale of equity instruments of Rs. 59.00 credited to statement of profit and loss. Under Ind AS the profit on sale of equity instruments of Rs. 59.00 have been recognised in FVOCI.

**(iii) Security Deposits**

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposits have been recognised in retained earnings. Consequent to this change, the amount of security deposits decreased by Rs. 1.32 as at 31 March 2017 (1 April 2016 Rs. 4.22). and Prepaid rent increased by Rs. 1.25 as at 31 March 2017 (1 April 2016 Rs. 4.04). The profit for the year and total equity as at 31 March 2017 increased by Rs. 0.12 due to notional interest income ( Net of rent expenses of Rs. 2.90) (1 April 2016 decreased by Rs. 0.19 due to notional interest income ( Net of rent expenses of Rs. 4.10)) recognised on security deposits net of rent expense and has a deferred tax impact on the same of Rs. 0.02 for the year ended 31 March 2017 (1 April 2016 Rs 0.06).

**(iv) Proposed dividend**

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend (including dividend distribution tax Rs. 6.11) of Rs. 36.13 as at 31 March 2017 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

**(v) Remeasurements of post-employment benefit obligations**

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31 March 2017 decreased by Rs. 8.76 (Increased by 1 April 2016 Rs. 4.11). There is no impact on the total equity as at 31 March 2017 (1 April 2016).

**45 Fair Value measurement-**

The fair value of Financial instrument as of March 31,2018, March 31,2017 and April 1,2016 were as follows-

Particulars	March 31,2018	March 31,2017	April 1,2016	Fair value Hierarchy	Valuation Technique	Key Inputs for Level 3 hierarchy	Significant unobservable input for level 3 hierarchy
Assets-							
Investment in Equity Instruments through OCI	100.98	88.37	134.23	Level-1	Quoted Market Price	-	-
Investment in Equity Instruments	-	-	1.00	Level-1	Based on Net Asset Value of the Investee Co.	Based on the net assets of the company after factoring the value of property.	Fluctuation in market price of the property and operation of the company
<b>Total</b>	<b>100.98</b>	<b>88.37</b>	<b>135.23</b>				

The management assessed that Cash and Cash equivalents, loans, other balances with Banks, trade receivables, trade payables and other current liabilities/assets approximate their carrying amounts largely due to the short-term maturities of these instruments.

**46 Lease**

The Company's leasing arrangements are in respect of office premises / warehouse. These leasing arrangements, which is mostly cancelable, range between 11 months to 3 years and are usually renewable by mutual consent at mutually agreed terms & conditions. The lease payment of Rs. 62.13 (Previous Year Rs. 63.04) has been recognised as expenses in the statement of Profit & Loss under the Note No. 34 "Other Expenses".

- 47** Balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.
- 48** In the opinion of the Board, Current Assets, Loans and Advances have value in the ordinary course of business at least equal to the amount at which they are stated.
- 49** The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our report attached of even date

**FOR KANU DOSHI ASSOCIATES LLP**  
**CHARTERED ACCOUNTANTS**  
 Firm Registration Number : 104746W/W100096

**FOR AND ON BEHALF OF THE BOARD**

**JAYESH PARMAR**  
**PARTNER**  
 MEMBERSHIP NO.045375

**ADITYA BHUWANIA**  
**WHOLE TIME DIRECTOR**  
 DIN : 00018911

**R.K.SARASWAT**  
**DIRECTOR**  
 DIN: 00015095

**PLACE : MUMBAI**  
**DATED : 28TH MAY, 2018**

**RAKESH JAIN**  
**CHIEF FINANCIAL OFFICER**

**SAISHWAR DALVI**  
**COMPANY SECRETARY**

**PRIYA LIMITED**

CIN:L99999MH1986PLC040713

Regd. Office: 4<sup>th</sup> Floor, Kimatrai Building, 77-79, Maharshi Karve Marg, Marine Lines (E), Mumbai-400002**ATTENDANCE SLIP**

(To be presented at the entrance)

Regd. Folio No. /Client ID No. \_\_\_\_\_ No. of shares held \_\_\_\_\_

DP ID No. \_\_\_\_\_

I certify that I am a Member/Proxy for the member of the Company.

I hereby record my presence at the **31<sup>ST</sup> ANNUAL GENERAL MEETING** of the Company to be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018 on **Wednesday, the 19<sup>th</sup> day of September, 2018 at 11. 00 A.M.**

Member's/ Proxy's name in BLOCK Letters \_\_\_\_\_

Signature of Member/Proxy \_\_\_\_\_

**NOTE:** Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting. Members are requested to bring their copy of the Annual Report to the meeting.

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**PRIYA LIMITED**

CIN:L99999MH1986PLC040713

Regd. Office: 4<sup>th</sup> Floor, Kimatrai Building, 77-79, Maharshi Karve Marg, Marine Lines (E), Mumbai-400002

www.priyagroup.com

**PROXY FORM - MGT-11**

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member (s) : \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Folio No./ Client ID No.\* \_\_\_\_\_ DP ID No.\* \_\_\_\_\_

I / We, being the member(s) of \_\_\_\_\_ Equity Shares of Priya Limited, hereby appoint

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him / her

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him / her

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Signature : \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the **31<sup>st</sup> Annual General Meeting** of the Company, to be held on Wednesday, the **19<sup>th</sup> day of September, 2018 at 11.00 a.m.** at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018 and at any adjournment thereof in respect of such resolutions as are indicated below:**Resolution No.**

1. Consider and adopt the Audited Financial Statement, Reports of the Board of Directors and Auditors, for the financial year ended 31<sup>st</sup> March, 2018.
2. Declaration of dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2018.
3. Appointment of Mrs. Saroj Bhuvania a Director retiring by rotation.
4. Re-appointment of Mr. Aditya Bhuvania as Whole Time Director.

Signed this ..... day of ..... 2018.

Signature of Shareholder

Signature of Proxy holder(s)

Affix  
Rupee 1/-  
Revenue  
Stamp**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.





## Route Map - Venue of AGM



[illegible]



BOOK-POST

If underlivered, Please return to :

## **PRIYA LIMITED**

**\* REGD. OFFICE \***

4<sup>th</sup> Floor, Kimatrai Building, 77-79, Maharshi Karve Marg,  
Marine Lines (E), Mumbai - 400 002.

Tel. : 91-22-4220 3100, Fax : 91-22-4220 3197.

E-mail : priyabom@priyagroup.com www. priyagroup.com

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**\* BRANCHES \***

Bengaluru: 080-2558 6122, Chennai: 044 - 4214 6105, Delhi: 011-2643 8555,  
Hyderabad: 040-2781 0979, Kochi: 0484-308 3188, Kolkata: 033-3057 1000.